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28 February-2 March 2012
Item 2 of the provisional agenda
Adoption of the agenda and other organizational matters

Provisional agenda and annotations

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Annotations

1. Election of officers

In accordance with rule 15 of the rules of procedure of the functional commissions of the Economic and Social Council and past practices, the Statistical Commission, at the commencement of its first meeting at a regular session, shall elect, from among the representatives of its members, a Chair, three Vice-Chairs and a Rapporteur (the Bureau).

The Bureau serves for two years, to the extent possible. This is achieved by electing the Bureau for a period of one year and re-electing those members of the Bureau who continue to be representatives to the Commission at the following session. The Bureau is elected on the basis of the principle of equitable geographical distribution; a member of the Bureau is elected from each of the regions represented on the Commission.

2. Adoption of the agenda and other organizational matters

The items on the provisional agenda and the corresponding documentation were proposed by the Commission at its forty-second session (New York, 22-25 February 2011)[1] and were adopted by the Economic and Social Council in its decision 2011/245. The Bureau of the Commission has subsequently approved some changes. The proposed draft organization of work for the session is before the Commission.

[1] See *Official Records of the Economic and Social Council, 2011, Supplement No. 4* (E/2011/24), chap. I, sect. A, draft decision.

The Commission may wish to adopt the agenda and organization of work for its forty-third session.

Documentation

Provisional agenda and annotations (E/CN.3/2012/1)

Note by the Secretariat on the organization of the work of the session (E/CN.3/2012/L.1)

3. Items for discussion and decision

(a) Programme review: population and housing censuses

The Commission will have before it the programme review of the 2010 World Programme on Population and Housing Censuses prepared by the United States Bureau of the Census. The current round of the population and housing census is historic: almost every country in the world held or will hold a census between 2005 and 2014. The same round also witnessed an increasing number of countries using new approaches to obtain data and modern technology in various census phases. The review takes stock of the recent experiences of countries in conducting a census and assesses the emerging issues and challenges. The Commission is invited to consider the achievements of the current World Programme on Population and Housing Censuses, with a view to identifying its future direction.

Documentation

Note by the Secretary-General transmitting the report of the United States of America on the 2010 World Programme on Population and Housing Censuses (E/CN.3/2012/2)

(b) Crime statistics

The Commission will have before it the report of the National Institute of Statistics and Geography of Mexico on crime statistics. The report covers the different challenges that affect crime statistics at the national and international levels, including the development of standard concepts and definitions, the lack of coordination among national institutions and different data sources, and the lack of an international framework for comparing data on conventional and transnational crimes. The Commission is invited to discuss actions to be taken by the different actors of the international statistical system, namely national statistical offices and international and regional organizations, to overcome these challenges. Issues that will be discussed include: (a) strategies to be adopted by national statistical offices to better coordinate the collection, dissemination and analysis of crime data; (b) the increased role of victimization surveys; (c) measurement of emerging and "difficult-to-measure" crimes such as organized crime, corruption and human trafficking; (d) development of an international crime classification framework to improve the comparability of data within and across countries; (e) establishment by the National Institute of Statistics and Geography of Mexico and the United Nations Office on Drugs and Crime of a centre of excellence on crime statistics; and (f) the first international conference on crime statistics.

Documentation

Note by the Secretary-General transmitting the report of the National Institute of Statistics and Geography of Mexico on crime statistics (E/CN.3/2012/3)

(c) National accounts

The Commission will have before it the report of the Intersecretariat Working Group on National Accounts. The report provides an update on the translation of the *System of National Accounts, 2008* (2008 SNA) in the other United Nations official languages. It also presents the outcomes of the Working Group's research agenda on two substantive conceptual issues relating to the 2008 SNA, namely: (a) the conceptual clarification of the recording of emission allowances and emission permits; and (b) the conceptual clarification of the delineation of financial intermediation services indirectly measured (FISIM). In addition, it provides information on the global implementation programme for the 2008 SNA and supporting statistics. The Commission is requested to express its views and provide guidance on the elements of the programme of work of the Working Group.

The Commission will also have before it the report of the Friends of the Chair group on the barriers to the implementation of the *System of National Accounts, 1993* (1993 SNA). The report presents an analysis of the results of the survey undertaken by the Australian Bureau of Statistics to identify the barriers to the implementation of the 1993 SNA. It also provides recommendations for the national and international programme for the implementation of the 2008 SNA and supporting statistics. The Commission is requested to express its views and provide guidance on the recommendations contained in the report.

Documentation

Note by the Secretary-General transmitting the report of the Intersecretariat Working Group on National Accounts (E/CN.3/2012/4)

Note by the Secretary-General transmitting the report of the Friends of the Chair on the barriers to the implementation of the *System of National Accounts, 1993* (E/CN.3/2012/5)

(d) Agricultural statistics

The Commission will have before it the report of the Friends of the Chair group on agricultural statistics presenting the key proposals contained in the action plan to implement the Global Strategy to Improve Agricultural and Rural Statistics and the process followed for its development. The action plan proposes a coherent capacity-building programme for the development of an integrated agricultural statistical system at the national level. The action plan also includes a description of governance mechanisms and of the architecture of financial flows. The report describes the activities accomplished to date, including finalization of the action plan, resource mobilization initiatives and partnership arrangements established with regional agencies.

The Commission will also have before it the report of the Wye Group on statistics on rural development and agriculture household income, in particular with respect to

the second edition of the Handbook entitled *Rural Households' Livelihood and Well-Being: Statistics on Rural Development and Agriculture Household Income*.[2]

The Commission is invited to endorse the action plan and its governance. Furthermore, the Commission is invited to take note of the report of the Wye Group and endorse the second edition of the Handbook. The Commission is also invited to approve the establishment of the proposed inter-agency expert group on agricultural statistics as a new mechanism for guiding the methodological development of agriculture and rural statistics and for monitoring the implementation of the action plan. This mechanism would replace the Friends of the Chair group on agricultural statistics and the Wye Group on statistics on rural development and agriculture household income.

Documentation

Note by the Secretary-General transmitting the report of the Friends of the Chair on agricultural statistics (E/CN.3/2012/6)

Note by the Secretary-General transmitting the report of the Wye Group on statistics on rural development and agriculture household income (E/CN.3/2012/7)

(e) Environmental-economic accounting

The Commission will have before it the report of the United Nations Committee of Experts on Environmental-Economic Accounting. The report elaborates on the progress made in the programme of work of the Committee, with particular focus on activities related to the revision of the System of Environmental-Economic Accounts (SEEA). It describes the status of work and the results of the second round of global consultations on chapters 1-6 of the System (central framework). The report provides an update on the progress in the development of the experimental ecosystem accounts and the extensions and applications. It also summarizes the progress of work in the development and finalization of the System of Environmental-Economic Accounting for Energy (SEEA-E), presenting the outcome of the expert group meeting. It reports on the development of an implementation plan for SEEA and contains information about ongoing efforts to promote the System in international forums as the statistical framework for assessing linkages between the environment and the economy. The Commission is invited to adopt chapters 1-6 of SEEA (central framework), express its views on the finalization of SEEA-E and comment on the progress of work of the Committee.

Documentation

Note by the Secretary-General transmitting the report of the United Nations Committee of Experts on Environmental-Economic Accounting (E/CN.3/2012/8)

(f) Environment statistics

The Commission will have before it the report of the Secretary-General on the revision of the Framework for the Development of Environment Statistics and a background document containing the core chapters of the revised Framework. The report will summarize the conclusions of the two expert group meetings held since

[2] United Nations publication, Sales No. E.07.II.E.14.

the forty-second session of the Commission, describe the core chapters of the Framework contained in the background document and present the plan for the remaining actions to be taken to conclude the revision process. The Commission is requested to approve in principle the core chapters of the revised Framework as contained in the background document and endorse the steps to finalize the revision as described in the report of the Secretary-General.

Documentation

Report of the Secretary-General on the Framework for the Development of Environment Statistics (E/CN.3/2012/9)

(g) Energy statistics

The Commission will have before it the report of the Secretary-General on the compilation of natural gas statistics containing a review of international activities in the collection and compilation of statistics on natural gas and an overview of the main problems that countries and organizations face in this area. The report also presents an outline of the programme of work that the Statistics Division, in cooperation and coordination with other international and regional organizations, intends to undertake on improving the annual and monthly collection of natural gas statistics. The proposals take into account the guidance provided by the International Recommendations for Energy Statistics, adopted by the Commission at its forty-second session. The Commission is invited to express its views on the assessment of the current situation and the proposed activities.

Documentation

Report of the Secretary-General on the compilation of natural gas statistics (E/CN.3/2012/10)

(h) Statistics for economies based on natural resources

The Commission has before it a proposal contained in a joint report of the National Statistical Office of Mongolia and the Australian Bureau of Statistics on the establishment of an Ulaanbaatar city group on statistics for economies based on natural resources. This city group will examine the unique statistical tasks required to understand the dynamics of such economies.

Documentation

Note by the Secretary-General transmitting the joint report of Mongolia and Australia on the establishment of an Ulaanbaatar city group on statistics for economies based on natural resources (E/CN.3/2012/11)

(i) Information and communications technology statistics

The Commission will have before it the report of the Partnership on Measuring Information and Communication Technologies for Development. The report presents the progress made on information and communications technology (ICT) statistics worldwide during the past five years, including the revised and extended core list of ICT indicators. It identifies the indicators and countries where most progress has been made as well as the major data gaps. The report also highlights important

statistical challenges and proposes a set of actions to be taken to enhance the availability of internationally comparable indicators on ICT. The Commission is requested to review the progress made and endorse the recommendations proposed by the Partnership to improve ICT statistics.

Documentation

Note by the Secretary-General transmitting the report of the Partnership on Measuring Information and Communication Technologies for Development (E/CN.3/2012/12)

(j) National quality assurance frameworks

The Commission will have before it a report of the Secretary-General containing a description of the work carried out by the United Nations Expert Group on National Quality Assurance Frameworks, in line with the mandate given by the Commission at its forty-first session, namely: (a) to develop a generic national quality assurance framework template while taking the existing quality frameworks into account and establishing mapping to them; (b) to compile a set of guidelines to accompany the template; (c) to compile a glossary of the main quality-related terms; (d) to build up an online inventory of documents and links to national and international quality tools and references; and (e) to enhance and update the website on national quality assurance frameworks maintained by the Statistics Division.

A separate background document containing the generic national quality assurance framework template and its accompanying guidelines, lists of tools and references, detailed mapping showing the correspondence to several existing quality assurance frameworks and links to the online glossary and the website will be submitted to the Commission.

The Commission is invited to review and endorse the generic national quality assurance framework template and to express its views on the guidelines, glossary, tools and references and website.

Documentation

Report of the Secretary-General on national quality assurance frameworks (E/CN.3/2012/13)

(k) Implementation of the Fundamental Principles of Official Statistics

The Commission will have before it a brief progress report on the work of the Friends of the Chair group on the implementation of the Fundamental Principles of Official Statistics, which was established at the forty-second session of the Commission. The initial focus of the group is to revise and update the language of the preamble of the Fundamental Principles. The group has also elaborated a detailed time plan for 2012, including a review of the implementation of the Fundamental Principles by Member States and development of a practical guide for their implementation. The Commission is asked to review the proposal for an updated preamble and to comment on the workplan of the Friends of the Chair group.

Documentation

Report of the Secretary-General on the implementation of the Fundamental Principles of Official Statistics (E/CN.3/2012/14)

(l) Coordination of statistical activities in the United Nations

In accordance with a mandate given at its forty-second session in the context of the discussion of statistics of human development, the Commission will have before it a report by the Secretary-General on current statistical coordination arrangements within the United Nations system. The report presents some options for strengthening current arrangements on specific topics and contains a proposal to form a Friends of the Chair group with a mandate to identify and prioritize those areas where coordination needs to be enhanced and to suggest appropriate mechanisms to do so.

Documentation

Report of the Secretary-General on the coordination of statistical activities in the United Nations (E/CN.3/2012/15)

(m) Efforts in developing a plan of action on statistical development

The Commission will have before it a report of the World Bank on an action plan for the development of statistics. This action plan, known as the "Busan Action Plan for Statistics", is an input for the Fourth High-level Forum on Aid Effectiveness, to be held in Busan, Republic of Korea, from 29 November to 1 December 2011. The outcome of the Forum will include a commitment to implement the plan to monitor progress, evaluate impact, ensure sound, results-focused public sector management, and highlight strategic issues for policy decisions. The Busan Action Plan builds on the success of the Marrakech Action Plan for Statistics, which was endorsed by the Commission. The plan outlines five steps needed to strengthen national statistical systems in developing countries and to increase the effectiveness of the support provided by development partners. The Commission is invited to comment on the plan's objectives and actions and provide guidance on priorities.

Documentation

Note by the Secretary-General transmitting the report of the World Bank on efforts in developing a plan of action on statistical development (E/CN.3/2012/16)

(n) Statistics of human development

This report outlines the commitment of the Human Development Report Office of the United Nations Development Programme to address the concerns raised by Member States at the forty-second session of the Statistical Commission. The report provides an account of the concrete steps taken and the processes and structures set in place to strengthen a constructive engagement with Member States and the global statistical community with respect to the measurement of human development and to support greater transparency in the production of the 2011 and future Human Development Reports. An update on the status of preparations for the 2012 Human Development Report will be included in the report. The Commission may wish to review these procedures and processes.

Documentation

Note by the Secretary-General transmitting the report of the United Nations Development Programme on statistics of human development (E/CN.3/2012/17)

(o) Regional statistical development in Europe

This report describes the trends in the development of official statistics in the countries members of the Economic Commission for Europe (ECE). It discusses recent initiatives for responding to the needs of economic and social policymaking and assessing progress towards international development goals. It elaborates on the coordination of international statistical work in the ECE region through the Conference of European Statisticians. The close cooperation with member countries and international organizations has led to the development of guidelines and recommendations with a global impact. It also addresses issues related to the adherence to the Fundamental Principles of Official Statistics, a set of standards adopted by the Conference of European Statisticians in 1992 and globally by the Statistical Commission in 1994. Lastly, the report highlights the main challenges facing official statistics, including needs for statistical capacity-building. The Commission is invited to comment on the ongoing work to address those challenges.

Documentation

Note by the Secretary-General transmitting the report of the Economic Commission for Europe on regional statistical development in Europe (E/CN.3/2012/18)

4. Items for information

(a) Gender statistics

The Commission will have before it a report of the Secretary-General describing the work by the Interagency and Expert Group on Gender Statistics and the Statistics Division in carrying out the tasks specified in the programme review of gender statistics.[3] The report also describes the workplan and strategies implemented by the Statistics Division and the Interagency and Expert Group on Gender Statistics to strengthen the global gender statistics programme.

The Commission will also have before it the report of the Secretary-General on the follow-up to the recommendations of the Friends of the Chair on statistical indicators for measuring violence against women. In line with the Commission's mandate, the Statistics Division has initiated work on draft guidelines for producing statistics on violence against women. The report will present an outline of the guidelines as well as the proceedings and conclusions of a consultative meeting to review the draft guidelines, held in Beirut from 8 to 10 November 2011. The Commission is invited to take note of these progress reports.

Documentation

Report of the Secretary-General on gender statistics (E/CN.3/2012/19)

[3] E/CN.3/2011/3 (paras. 46 and 50).

Report of the Secretary-General on the follow-up to the recommendations of the Friends of the Chair on statistical indicators for measuring violence against women (E/CN.3/2012/20)

(b) Washington Group on Disability Statistics

The report of the Washington Group on Disability Statistics provides an update on the Group's work on the development of an extended set of questions on functioning. The question set addresses a wider range of domains than was possible for the short question set developed for censuses. The extended question set can be added to other surveys or can form the basis for a disability survey. It represents the joint efforts of the Washington Group and the Budapest Initiative and was presented to Eurostat for inclusion in the next round of the European Health Interview Survey. Furthermore, at the most recent Washington Group meeting (Bermuda, November 2011), work was initiated on question sets applicable to children and on the environment and its impact on participation. The report also summarizes activities related to workshops and training sessions and collaborations with other international organizations. The Commission is requested to take note of the Washington Group's current and future programme of work.

Documentation

Note by the Secretary-General transmitting the report of the Washington Group on Disability Statistics (E/CN.3/2012/21)

(c) International merchandise trade statistics

The Commission will have before it the report of the Secretary-General on international merchandise trade statistics. The report contains a description of the activities undertaken in response to the recommendations made by the Statistical Commission at its forty-first session with regard to the implementation of the new recommendations for international merchandise trade statistics. The report presents the draft revised compilation guidance for international merchandise trade statistics, details of which are contained in the background document, the revised *International Merchandise Trade Statistics: Compilers Manual*. The draft compilation guidance was prepared by the Statistics Division in consultation with the national statistical offices and international organizations concerned. The Commission may wish to take note of the report.

Documentation

Report of the Secretary-General on international merchandise trade statistics (E/CN.3/2012/22)

(d) Statistics of international trade in services

The Commission will have before it the report of the inter-agency Task Force on Statistics of International Trade in Services summarizing the activities it has carried out in response to the request of the Commission at its forty-first session to implement the international recommendations contained in the 2010 *Manual on Statistics of International Trade in Services*. The report briefly describes the work done and presents the next steps of the implementation programme, including the establishment of a group of national and international experts in this field, which

has been established for the express purpose of guiding the implementation programme. The Commission may wish to take note of the report.

Documentation

Note by the Secretary-General transmitting the report of the Task Force on Statistics of International Trade in Services (E/CN.3/2012/23)

(e) Finance statistics

The report of the International Monetary Fund on the Inter-Agency Task Force on Finance Statistics summarizes progress and recent developments in the field of finance statistics and provides an overview of planned activities. The Commission is requested to take note of the report.

Documentation

Note by the Secretary-General transmitting the report of the Inter-Agency Task Force on Finance Statistics (E/CN.3/2012/24)

(f) International Comparison Programme

The Commission will have before it a report on the International Comparison Programme. The report, prepared by the World Bank on behalf of the Executive Board of the International Comparison Programme, outlines the status of implementation of the 2011 round. The report provides information on country participation, risk assessment, price data collection and validation, governance meetings and the status of regional programmes. The report also outlines financial aspects and progress achieved in formulating the data access and archiving policy. The Commission may wish to review and take note of the progress in the implementation of the 2011 round.

Documentation

Note by the Secretary-General transmitting the report of the World Bank on the International Comparison Programme (E/CN.3/2012/25)

(g) Ottawa Group on Price Indices

The report of the Ottawa Group on Price Indices summarizes recent developments and activities, provides an update on the latest meetings and outlines the plans of the Ottawa Group. The Commission is requested to take note of the report

Documentation

Note by the Secretary-General transmitting the report of the Ottawa Group on Price Indices (E/CN.3/2012/26)

(h) Coordination and integration of statistical programmes

The Commission will have before it a report that summarizes the main conclusions of the seventeenth and eighteenth sessions of the Committee for the Coordination of Statistical Activities, held in New York on 21 February 2011 and in Luxembourg from 7 to 9 September 2011, respectively. The Commission may wish to take into

account, in its discussions under relevant agenda items, the views expressed by the Committee. The Commission may wish to take note of the report.

Documentation

Report of the Secretary-General on the work of the Committee for the Coordination of Statistical Activities (E/CN.3/2012/27)

(i) International economic and social classifications

The report of the Secretary-General provides updated information on the work carried out under the auspices of the Expert Group on International Economic and Social Classifications. In particular, the report provides information on the outcome of the meeting of the Expert Group in 2011 and its recommendations for future work and the organization of work, including an updated mandate for the Expert Group. The report also outlines the scope for the regularly scheduled update of the Central Product Classification (CPC). The Commission is invited to take note of the report.

Documentation

Report of the Secretary-General on international economic and social classifications (E/CN.3/2012/28)

(j) Development indicators

The Commission will have before it a report of the Secretary-General describing the work of the Inter-agency and Expert Group on Millennium Development Goal Indicators and the Statistics Division in the following areas: developing tools and methodology for country-level assessment of progress in achieving the Millennium Development Goals; providing training and technical assistance to countries on indicators to monitor the Goals and on Statistical Data and Metadata Exchange (SDMX) standards for Goal indicators; resolving differences between national and international data sets; and improving coordination of data reporting and monitoring of the Goals. The report also describes the preparation of the yearly progress reports on progress towards achievement of the Goals and presents an assessment of data availability for Goal indicators. The Commission is invited to take note of the report.

Documentation

Report of the Secretary-General on development indicators for monitoring the Millennium Development Goals (E/CN.3/2012/29)

(k) Follow-up to Economic and Social Council policy decisions

This item was placed on the agenda by the Commission at the request of the Economic and Social Council in its resolution 1999/51 with a view to encouraging a closer relationship between the work of the Commission and the Council. The Commission will have before it a note by the Secretary-General containing extracts from resolutions, decisions and agreed conclusions of the General Assembly, the Council or of other functional commissions that are relevant to the work of the Statistical Commission. The report also contains a description of the actions taken

so far and those suggested to be taken. The Commission may wish to take note of the report.

Documentation

Note by the Secretary-General on policy decisions of the General Assembly and the Economic and Social Council that are relevant to the work of the Statistical Commission (E/CN.3/2012/30)

(l) Global geospatial information management

The Commission will have before it a report by the Secretary-General on the recent work of the Statistics Division in the field of global geospatial information management. Following a recommendation by the Statistical Commission at its forty-first session, the Economic and Social Council had taken up the topic in 2011 and adopted a resolution to form a United Nations Committee of Experts on Global Geospatial Information Management. The report summarizes the outcomes of the first United Nations High-level Forum on Global Geospatial Information Management as well as of the first session of the Committee of Experts, held in October 2011 in Seoul. The Commission is invited to take note of this progress report.

Documentation

Report of the Secretary-General on global geospatial information management (E/CN.3/2012/31)

(m) World Statistics Day

The Commission will have before it a report of the Secretary-General prepared in consultation with the Bureau. The document presents a proposal to celebrate World Statistics Day every five years under modalities similar to those used in 2010. The Commission is invited to take note of and confirm this proposal.

Documentation

Report of the Secretary-General on World Statistics Day (E/CN.3/2012/32)

5. Programme questions (United Nations Statistics Division)

The Commission will receive an oral report from the Director of the Statistics Division concerning current activities, plans and priorities.

6. Provisional agenda and dates for the forty-fourth session of the Commission

In accordance with rule 9 of the rules of procedure, the Commission will have before it the draft provisional agenda for its forty-fourth session, together with an indication of the documents to be submitted under each item and the legislative authority for their preparation. The Commission will also have before it a proposal for the dates of the session. In addition, in accordance with a request of the Council (see Council resolution 1999/51), the Commission will have before it a draft multi-year programme of work for 2012-2015. The Commission is invited to approve the date, provisional agenda and documentation for its forty-fourth session, as well as to approve the multi-year programme.

Documentation

Note by the Secretariat containing the draft provisional agenda for the forty-fourth session of the Commission (E/CN.3/2012/L.2)

Note by the Secretariat on the draft multi-year programme of work of the Statistical Commission, 2012-2015 (E/CN.3/2012/33)

7. **Report of the Commission on its forty-third session**

The Commission may wish to adopt the report on its forty-third session, which will be submitted to the Council.

Documentation

Draft report of the Commission on its forty-third session (E/CN.3/2012/L.__)

United Nations E/CN.3/2012/2

Economic and Social Council

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Statistical Commission
Forty-third session
28 February-2 March 2012
Item 3 (a) of the provisional agenda*
Items for discussion and decision: programme review: population and housing censuses

Report of the United States of America on the 2010 World Programme on Population and Housing Censuses

Note by the Secretary-General

In accordance with a request of the Statistical Commission at its forty-second session (see E/2011/24, chap. I, sect. A), the Secretary-General has the honour to transmit the report of the United States Census Bureau, containing a programme review of the 2010 World Population and Housing Census Programme, which encompasses the years 2005 to 2014. The report presents a mid-decade review of the 2010 census programme based on the information provided by member countries in response to a survey. It summarizes the lessons learned to date and provides insight into the potential direction of the 2020 World Census Programme, as a critical point has now been reached in assessing the future direction of census-taking around the world. With rapidly changing technologies and advances in census methodology, the report contains recommendations for discussion and consideration for future work by the Commission in this area.

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Report of the United States of America on the 2010 World Programme on Population and Housing Censuses

I. Introduction and background

1. For over six decades, the United Nations has supported national census-taking worldwide through the decennial World Programme on Population and Housing Censuses. In March 2005, the Statistical Commission at its thirty-sixth session initiated the 2010 World Programme on Population and Housing Censuses. The Economic and Social Council approved the programme through the adoption of its resolution 2005/13. The resolution, in part, stresses the need for conducting censuses and, together with the report of the Statistical Commission on its thirty-sixth session (E/2005/24), contains three essential programme goals:

- Agreeing on international principles and recommendations to conduct a census;
- Conducting a population and housing census at least once during the period 2005 to 2014;
- Disseminating census results for effective socio-economic planning and monitoring of population issues, policies and trends.

2. Critical to the success of the World Census Programme is member countries work with each other, in cooperation with the United Nations and its regional commissions, and other intergovernmental organizations. The exchange of scientific and technical expertise and information is necessary to strengthen census-taking and results.

3. At its forty-second session, the Statistical Commission requested that a review of the 2010 World Programme on Population and Housing Censuses be carried out with the results to be presented at its next session. Pursuant to that request, the United States Census Bureau agreed to conduct the programme review. This is the first time a country has prepared a programme review on the World Census Programme. In the past, reports on updates to the Programme were presented by the Statistics Division.[1]

4. The review is structured as follows: section II states the objective; section III reviews the methodology used for the review; section IV provides early lessons learned from the 2010 World Census Programme; section V discusses evolving census methods and the resulting issues of differing census concepts and definitions; section VI describes possible trends for the 2020 round; section VII outlines conclusions; and section VIII presents recommendations and discussion points.

II. Objective of the review

5. The primary objectives of the present review are to: (a) document the early lessons learned from the 2010 round of worldwide population and housing censuses,

[1] For example: working paper by the Statistics Division (UNSD/DSSB/1) entitled "Report on the results of a survey on census methods used by countries in the 2010 census round", February 2011; and E/CN.3/2005/11.

covering the years 2005 to 2014; and (b) identify preliminary recommendations for the Statistical Commission to consider as planning begins on the 2020 World Programme on Population and Housing Censuses.

6. The United States Census Bureau based its approach and findings on a questionnaire sent to Member States, literature reviews and consultations with members of the international statistical community. Census-taking is at a crossroads. With rapidly changing technology, evolving census methodologies, privacy concerns and increasing needs for more timely data, in many countries of the world the approach to census-taking will likely be fundamentally different in the 2020 round of population and housing censuses from the current 2010 World Census Programme.

III. Methodology

7. To gather the data needed for this review, the United States Census Bureau developed a questionnaire for gaining insight into the lessons learned by countries at this mid-point in the 2010 World Census Programme and their perspectives on potential directions for the 2020 round of censuses. The questionnaire consisted of 38 questions: 7 closed-ended, 4 open-ended, and 27 with closed-ended and open-ended categories. For 17 of the questions, respondents could mark multiple categories. Countries were instructed to refer to their census planned during the period 2005 to 2014. If they conducted only one population and housing census, their survey responses would reference that census. If a country planned to conduct or conducted more than one census during that period, they were asked to reference their responses to their census taken in the year closest to 2010.

8. Between 13 June and 30 June 2011, the Statistics Division sent, primarily by e-mail, questionnaires (with instructions and an introduction) to the 192 States Members of the United Nations.[2] Questionnaires were initially sent to countries in English, and then in French, Russian or Spanish upon request by countries.

9. In total, by the final deadline (1 September 2011), 109 countries, or 57 per cent (see annex) had returned completed questionnaires; one additional country did not return a questionnaire, but indicated it was not conducting a census during the period under review. There was regional variation in response rates as follows: Africa (49 per cent), Asia (56 per cent), Europe (80 per cent), North America (61 per cent), Oceania (46 per cent) and South America (58 per cent).

10. The United States Census Bureau arranged for the translation into English of responses to open-ended questions that were submitted in other languages. Closed-ended questions were keyed and edited using the Census Bureau's Census and Survey Processing System (CSPro) software. During September 2011, Census Bureau staff conducted quantitative analysis (closed-ended questions) and qualitative analysis (open-ended questions) of the survey results, with the preparation of the programme review and an internal Census Bureau review completed in early November 2011.

11. The analysis of the responses focused on: (a) establishing an overview of the census methodologies and enumeration methods used during the 2010 round;

[2] Excluding South Sudan, which became a State Member of the United Nations in July 2011.

(b) assessing the use of new census methods or technologies, including early challenges and successes for the 2010 World Census Programme; (c) disseminating data; and (d) looking towards the 2020 round, including future trends, international collaboration and United Nations assistance.

12. It should be noted that the review reflects the collective experience of the countries responding to the questionnaire. Responses from the survey results were combined to present results and overall impressions. Responses are not associated with a specific country or respondent.

13. For the 2010 World Census Programme, peak census-taking was between 2010 and 2011. This limited the collection of lessons learned, since many countries were either in the midst of completing their census or in the process of conducting their census when the programme review questionnaires were sent out. Many countries responded that it was too early to provide lessons learned. Any lessons learned are thus preliminary in nature.

14. Future programme reviews should be conducted at established periods throughout the decade, perhaps both mid-programme and at the end, to get the full scope of lessons learned and developing trends. A mid-programme review provides an initial evaluation of the censuses conducted to date and early lessons learned. A programme review at the end will allow all countries to provide their insights and early thoughts on the next census round.

> **Recommendation 1**: The present programme review provides an initial evaluation of the censuses conducted and lessons learned but it is early in the decade to get a good assessment of the programme from most countries, as the bulk of census- taking occurs in the years ending in 10 and 11. The Statistical Commission should consider conducting another lessons learned evaluation as the 2010 census round closes out in 2014.

15. There are limitations to the questionnaire that affected the data collected. The survey development was done in a compressed time frame, not allowing for pre-testing.[3] The Census Bureau analysts noted issues with skip patterns, inconsistencies in responses, and confusion over the purpose of some questions.

> **Recommendation 2**: Establish an international working group to develop and test an instrument to look at census challenges, lessons learned and directions for the future. This survey would be used in the beginning of a census cycle, at the mid-point and at the end to assess the trends of the decade. Repeated use of the same instrument will enable comparison of data throughout the decade. Create a companion document explaining the purpose of each survey question.

[3] The United States Census Bureau thanks Jerry Banda, formerly of the Statistics Division, Andre Cyr and Don Royce, both of Statistics Canada, for reviewing the initial draft questionnaire. The Statistics Division provided additional comments and editing.

IV. 2010 experience and lessons learned

16. The present survey was taken halfway through the 2010 census round. Lessons learned that are discussed are preliminary, but instructive. Many countries indicated that was too early to provide any lessons learned, as they were still finishing their census.

A. Sources of data and enumeration methods

17. For sources of data (where the data come from), at first glance, a traditional census with full field enumeration is the main source of census data for 90 of the 109 countries (83 per cent).[4] However, when all the data collection source questions are reviewed, a more complex picture is seen. While some countries use only direct enumeration methods for data collection, other countries are combining field enumeration with other sources of data to produce their census results. In many countries, registers, administrative records and sample surveys are either replacing field enumeration or are being used to supplement data collected directly by enumerators. A total of 26 countries (24 per cent) reported using administrative registers or administrative records.

18. For the question on enumeration methods (how the data are collected), countries could select multiple responses. Face-to-face interviewing using a paper questionnaire was the main enumeration method (72 per cent), followed by self-enumeration using a paper questionnaire (32 per cent), partial data collection using the Internet (29 per cent) and using telephone interviews (12 per cent).

19. While 42 countries (39 per cent) use face-to-face enumeration with a paper questionnaire as their only data collection method, in general, the trend is for countries to use a variety of methods for their count and to move away from the concept of a single method of data collection. A multi-mode census is increasingly being used, that is, census data being collected using a mixture of data sources and/or collection methods.

20. For example, it is becoming more common for a country to collect data using the telephone, Internet and paper questionnaires, and perhaps use administrative records and/or an ad hoc survey to supplement the data collected. Countries are using the multi-mode option with a multitude of variations to address their own data needs and circumstances; the programme review survey, fielded in 2011, could not accurately reflect all the variations of multi-mode censuses reported for two reasons, namely, the questionnaire design did not allow for all the multi-mode variations, and there were definitional issues with responses. This first lesson learned from the 2010 World Census Programme will be more fully explored in section V.

[4] See United Nations *Principles and Recommendations for Population and Housing Censuses, Revision 2* (United Nations publication, Sales No. E.07.XVII.8, paras. 1.60 and 1.61) for a definition of a traditional census. There are many variations on the traditional census approach and countries using this design may use very different data-collection methodologies. This will be discussed further in sect. V of the present review.

B. Challenges and successes

21. The programme review survey asked about the challenges and successes faced by each country in the 2010 World Census Programme of census-taking, a question for which countries could mark multiple responses. The most frequently reported challenge (67 per cent) was cost.. Some of the other challenges, in order of frequency, included timeliness (42 per cent), data quality (39 per cent), decreased response rates (39 per cent), public perceptions (37 per cent) and privacy (32 per cent).

22. Since cost is the greatest challenge, there is a need to develop an accurate method to compare the costs of taking censuses across countries. One possibility would be to look at the components of a census to derive total cost, using well-defined components to ensure consistency of costs provided. The selected cost method should be based on the purpose of the comparison and not just the total cost.

23. For example, one might use gross domestic product (GDP) or per capita income as a measure of economic and educational status of a country. The higher these measures, the greater the probability that there are more expectations from the population regarding a census and census- taking, such as pressure to provide response options, qualifications of the enumerators and the availability of data-dissemination tools.

24. Another factor with enormous impact on the cost of a census is whether the country already has (and has therefore paid for) a national population register that can serve as a source of information.

25. When comparing costs, the expected quality of census coverage must also be considered, that is, what the expectations are in terms of how accurate the population count is required to be.[5] In countries where the numbers are used for Government representation and distribution of funds, the count may have to be extremely accurate, which increases the cost.

26. In addition, the physical size of the country, its terrain and the number of languages spoken by its populace add to the cost. The process to obtain accurate costs is very difficult, but it is critical for countries, including those requiring financial assistance, in order to keep costs down. Classifying costs by region and/or by census method may also be considered.

> **Recommendation 3**: Work should be done to develop an accurate, viable method for estimating the costs of conducting a census that can be used to compare census cost across regions and/or countries.

27. The successes varied greatly. The implementation of new technologies, staying within budget, meeting deadlines and maintaining data quality, were most frequently cited census successes in the 2010 round. For some countries, just being able to do a census was a major achievement. Other countries are seeking alternative methods of

[5] For some countries, the expectation for a census may be 100 per cent population coverage, even though this is widely believed to be unrealistic.

census-taking, noting privacy, falling response rates or costs as a motivator for using a new method or new methods.

28. The programme review also sought to find out the level of participation among countries in the 2010 census round versus the 2000 round. For the 2010 World Census Programme, the Statistics Division[6] reported that only 3 of the 192 States Members of the United Nations either would not conduct a census, or no information was available with regard to their census plans. This is compared with 25 countries out of 192 in the 2000 census round that either did not conduct a census or for which no information was available. This is a significant increase and should be noted.

C. Other methodologies[7]

29. For methodologies other than the traditional census, the programme review survey considered the use of pre-existing administrative records, administrative registers, rolling census and hybrid methodologies. The survey results indicated that:

- 9 countries are using pre-existing administrative records to supplement other sources of data[8]
- 1 country is conducting a rolling census
- 37 countries are using administrative registers as their primary source or other source of data
- 18 countries use annual or other regularly conducted sample surveys to supplement their data
- 16 countries conducted ad hoc sample surveys as part of their census data collection activities
- 14 countries indicated "other" on the questionnaire

When countries were asked to be specific, responses included the use of registers combined with field enumeration (both field enumeration or on a sample basis); statistical registers; administrative sources combined with the Internet, telephone and field enumeration; the use of administrative registers for item non-response; administrative data used to enumerate prison and detention centre populations; and address lists created by matching administrative and commercial sources.

30. Of the countries that responded, 17 had tried a new methodology for the first time. The majority of those 17 countries is planning to repeat the new methodology for the 2020 census round.

[6] Information retrieved on 1 November 2011 from the Statistics Division website (http://unstats.un.org) and confirmed with Statistics Division staff through an exchange of e-mails.

[7] Other methodologies refer to any census-taking method other than a "traditional method" using a full field enumeration, including conducting a census using administrative register(s) or a rolling census.

[8] See sect. V.B for an explanation of pre-existing administrative records and administrative registers.

31. The benefits of using the new methodologies were timeliness, decreased cost and improvements in data quality. The key risks were the reduction in the number of topics included in the census (that is, decreased content) and the use of data definitions provided by the data source, instead of census definitions. For example, if a country is using an administrative register, the data categories defined by the Government department responsible for the register may or may not be the same definitions used or preferred by the statistical agency taking the census.

32. The World Census Programme and statistical agencies could benefit from collecting additional information later in this census round, about the successes and challenges of different modes in the multi-mode countries (see recommendation 2 above).

D. New (information) technologies

33. As the complexities in census-taking increase, so does the demand for using technology. Most countries are using some form of technology or indicated they would in the near future. Countries were asked to indicate what types of technology they used during the 2010 census round and for this question, countries could mark multiple responses. Geographic information systems (GIS) is the most widely used technology (58 per cent) and computer-assisted coding (42 per cent), optical mark recognition (OMR) (30 per cent) and optical character recognition (OCR) (38 per cent), as well as other scanning methods (37 per cent), are being used extensively.

34. With regard to new technologies, the survey sought information on the use of the Internet (40 per cent), laptops (24 per cent), hand-held or tablet computers (10 per cent), geographic systems and scanning and recognition systems. These topics cover technologies used for data collection and data processing. Data-dissemination technologies are addressed in section E below.

35. Technology clearly has had a large impact on the way a census is conducted. Countries reported that the benefits of automated technologies include improving the data quality, timeliness and lowering costs of field operations, data capture and data dissemination. However, it is necessary to assess short-term and long-term costs versus benefits.

36. Countries mentioned increased start-up costs, lack of staff expertise and privacy and confidentiality concerns as risks. Even with the risks, census response rates in those countries either remained the same or increased. From reviewing responses to open-ended questions, consideration should be given to when it is appropriate to use technology and when existing manual processes are sufficient to support a country's census. When funding and technical expertise is limited, options must be carefully weighed before deciding on the suitable level of technology to pursue in census-taking.

37. Countries using hand-held digital devices and the Internet for data collection now are considering possible technologies that may be available by the 2020 round. Moreover, most countries using paper questionnaires expressed an interest in using hand-held digital devices, laptops or the Internet in the 2020 round.

E. Data dissemination

38. A census is not complete until the data are released to the users. The programme review sought information about the methods used by countries to provide their data to users and countries were asked to indicate their primary method of census data dissemination. This included the use of paper publications, CDs, DVDs, static web pages, interactive online databases and web-based mapping tools. Of the responding countries, 54 (51 per cent) use paper publications as their primary method of data dissemination, 30 (29 per cent) use static web pages (html, pdf, etc.), while only 17 countries (16 per cent) use interactive online databases.

39. Countries were then asked to indicate other methods of data dissemination they use — a question for which countries could mark multiple responses. For other methods countries indicated that they use CD-ROMs or DVDs, static web pages, paper publications, interactive online databases and mapping tools.

40. More than 90 per cent of the countries consulted with their data users and stakeholders about their data dissemination plans.

V. Defining how we do what we do

41. Countries are becoming more creative in their census designs and developing new census methods. Increasingly countries are moving away from a full field enumeration with enumerators going door-to-door to collect data. Indeed, a growing number of countries are considering less census data collection and moving to the use of registers and other techniques to obtain data for census counts.

42. Even within a particular methodology, there are vast differences in how the method is carried out. For example, the labour pool of enumerators may differ from country to country and may be special hires, Government employees, teachers or volunteers. The programme review shows a myriad of data sources, data-collection methods and new technologies for countries marking traditional census on the survey questionnaire. These may include the use of administrative records, the Internet, telephone and/or ad hoc surveys. Countries using administrative registers may use different types of registers, or use registers and supplement the data with another method.

A. Traditional census

43. What is a traditional census? The survey results showed wide variation in the definition of a traditional census and little consistency in how the term is used across countries. What is perceived as a traditional census in one country may be a new methodology in another. With the use of technology, the inclusion of a multitude of data sources, and data-collection methodologies, does the term accurately reflect the current state of census-taking? This is another key lesson learned from the 2010 round. The term is more confusing than ever and is used differently across countries.

44. The distinction needs to be made between census-taking using full field enumeration, full enumeration, the extent of technology used, and other methods to capture more precisely the current state of census-taking.

B. Administrative records and administrative registers

45. For the purposes of the programme review survey, pre-existing administrative records and administrative registers were separate categories. The programme review questionnaire lacked an explanation of the difference between the two terms; however, when analysing the survey data, there is a broad range of differences in how the terms are used.

46. The two terms should be better defined to clarify how they are being used. The distinction is based on how the administrative data are used. Are the data used to create the census count (register-based census) or to support the enumeration (for example, aid in developing an address frame, item non-response, etc.) through other methods? The distinction needs to be clarified. Then it is necessary to develop terminology that accurately reflects the use of the data.

47. For the purposes of the present paper, administrative records are defined as data used to administer a programme and contain information only on persons receiving a service or benefit from that programme. For example, they may be school registration files, driver licence files or financial assistance files. The United States defines administrative registers as a data source that requires all the members of a group — such as persons, businesses or landowners — to register and notify Governments when they move or to update information, and that contains unique identification numbers that have the potential to link data across sources. The number may be used for virtually all Government transactions.

48. Administrative registers and administrative records are distinct concepts that are blurred in their meaning and usage. In past Statistics Division studies, they have been put into the same category and used interchangeably. With the present programme review, they were intentionally separated. The survey results indicated that for some countries the terms are interchangeable, while for other countries, due to policies or privacy issues, there are differences between the two terms. It is important for accurate assessments of census methodologies to define the distinction between the two and gather information on their usage.

C. Multi-mode census

49. With the growing complexity of census-taking within countries, how can a multi-mode census be accurately defined? How does one accurately describe all of the different permutations of the multi-mode methodology as its use increases? In the future, a common terminology will be needed to assess the different types of multi-mode census-taking to learn whether countries still have a predominant method or if there is a multiplicity of methods being used.

50. Furthermore, what evaluation criteria are needed to get a more exact look at the variations of modes used? One method to consider might be to analyse the percentage of final responses attributable to each mode used within a census. This will better enable us to understand and contrast multi-mode use across countries and the cost, quality and complexity implications.

51. The survey results show that 96 per cent of the respondents will use United Nations concepts and definitions for their 2020 census round preparations. This reinforces the need for recommendation 4 below.

Recommendation 4: The United Nations should create a task force or committee to rethink, update and synchronize definitions of census terminology for data sources and enumeration methods based on current practices. Make sure terminology and acronyms are defined and consistently used.

VI. The 2020 census round: looking forward

52. Major changes have occurred in census-taking from the 2000 round to the 2010 round and will continue to evolve between the 2010 and 2020 rounds. The international statistical community exists within a rapidly changing and evolving environment. Technology is changing our daily lives and the way in which census data are collected, processed and disseminated. New census methods are developed to meet societal changes. The demand for data is increasing to help with policy formation and decision-making, administering programmes and for monitoring overall development progress. Census data may also be used for allocation of national funding and services, a source of demarcation of constituencies and allocation of governing body representation.

53. Data collection encompasses both sources of data and enumeration methods. The continuum of change has been facilitated by the introduction of technology, and other mechanisms for reaching respondents and ensuring their trust and cooperation. Some countries are moving from face-to-face interviewing, to sending and returning questionnaires by mail, to the addition of telephone interviewing, the use of laptops, the Internet and hand-held digital devices, such as smart phones. The ability to match records and process large volumes of data has led to the increased use of administrative registers and pre-existing administrative records. In addition, to meet changes in societies, combinations of data sources and methods have led some countries to the multi-mode census.

54. Address list development and mapping techniques have progressed from paper lists created as enumerators distributed questionnaires or conducted interviews to the creation of paper maps, and currently to the use of GIS, the global positioning system (GPS) and digitized maps.

55. Data capture has evolved from punching key cards, to keying, to the use of scanning technologies, to imaging and paperless capture with the use of electronic questionnaires. Census data processing began with hand tallies and progressed to the early key punch methods, to computers processing data at previously unimagined speed. It is too early to know the technologies that might be available in the 2020 census round; nevertheless, the international statistical community must be prepared to meet the challenge.

56. Countries represent a broad spectrum of census approaches — from some retaining the traditional approach, which meets their needs, to others relying entirely on administrative registers. In between the two are a vast variety of census approaches and methodologies. There is the use of administrative records, incorporating annual or other regularly conducted surveys into census results. Countries are also developing hybrid methods based on these approaches.

A. Methodologies

57. The emergence of the multi-mode census is one of the key directions for the 2020 World Census Programme. However, many countries will continue to use the traditional census method. For the 2020 round, the survey responses show a number of countries moving away from this method to a blended approach to census-taking, choosing data sources and methods to meet the unique needs of their country. A variety of data collection techniques will be used to make responding to the census less burdensome. Alternatively, data sources will be selected which limit or have no respondent burden.

B. Technologies

58. Flexibility and keeping up with the pace of new technologies will be key for the 2020 round. Technology has the potential to decrease cost (after start-up costs) and time, while improving data quality. The use of the Internet, hand-held computers and tablets will likely increase and provide other options in data collection with the benefit of reducing the volume and therefore reducing the time needed for and the cost of data capture. GPS, GIS and new mapping techniques will improve address listing and geospatial identification. Imaging and scanning will help with data capture. Respondents discussed their (or potential desire for) reliance on improved technology for census-taking. What types of technology will be available for the 2020 round? In addition, will countries have the technical expertise needed to support these technologies? Will countries have the needed funding for the initial start-up costs? These are just some of the questions raised that will need to be addressed during the 2020 census round planning.

> **Recommendation 5**: The United Nations should monitor changes in technology carefully. With such rapid changes in technology, a country's decisions regarding the use of a particular technology need to be fluid, not rigid.

59. Of those countries using some type of technology, 49 per cent contracted out (outsourced) some or all of the technology work. The successes of contracting included (in order of rank): staying within scope, adhering to budget, adhering to schedule, improved census integration and contract management. The challenges to contracting included (in order of rank): contract management, adhering to schedule, staying within scope, adhering to budget and improved census integration. The survey results show that the successes and challenges are very often one and the same.

60. The United Nations publication *Principles and Recommendations for Population and Housing Censuses, Revision 2*[9] provides some information on contracting. However, from the survey results, countries are experiencing mixed outcomes and could benefit from some additional guidelines.

[9] United Nations publication, Sales No. E.07.XVII.8.

Recommendation 6. Consideration should be given to preparing a technical manual on contracting for census technologies or expanding the existing contracting information in the *Principles and Recommendations for Population and Housing Censuses*.

C. New topics (content)

61. Adding topics to a census requires planning, additional cost and the willingness of the population to provide the requested information. Based on the programme review survey, countries were asked how they determined whether to add new topics to their census; they were asked to mark all categories that applied. The key determinants for adding new census topics are requests by data users (78 per cent) and pertinent or evolving issues in the country (64 per cent). Trends in society (57 per cent) and consultations with other international statistical agencies (52 per cent) also factor into their decisions.

62. Many countries responded that it was too early to discuss specific new topics for their 2020 census.

63. The comments provided by and discussions with members of the international statistical community indicate a need to ensure the comparability of data within regions to identify trends and patterns within regions.

D. International collaboration

64. Sharing expertise among countries, particularly within regions, is critical as we move towards the 2020 round. Regions are working together in new ways, consulting with each other, sharing resources, technology (hardware and software) and forming partnerships. Clearly, all countries are facing the same challenges to have a successful census with less cost, faster data dissemination and improved data quality. These are common pressures encountered by all statistical agencies. One of the most important lessons learned and common themes from the 2010 World Census Programme is that we can all learn from each other. Countries are urged to share expertise and admit when one needs assistance. The uniqueness of census-taking requires us to go to other statistical agencies both to seek advice and to be a sounding board to resolve challenges. This requires full cooperation and participation from the international statistical community.

65. The survey results show that countries offer, receive and collaborate in a number of activities. For this question, countries could mark all categories that applied to them. Data- processing advice (25 per cent) was the area of assistance most received by countries from other countries. Other common areas where countries received assistance from another country include mapping (23 per cent) and new technologies (19 per cent). In terms of collaboration, data dissemination (28 per cent), alternative census methodologies (24 per cent) and questionnaire design (19 per cent) ranked highest with regard to areas of collaboration for countries. Data collection (16 per cent) and questionnaire design (15 per cent) were the types of assistance most often provided to other countries.

Recommendation 7: The United Nations should play a more active role in calling for continued and increased collaboration and cooperation in respect of census activities among countries.

E. United Nations support and assistance

66. Over 80 per cent of the responding countries use United Nations census guidelines or publications to prepare for their census. The most widely used publication is the *Principles and Recommendations for Population and Housing Censuses, Revision 2*, followed by the *Handbook on Census Management for Population and Housing Censuses* and the *Handbook on Population and Housing Census Editing*.[10]

67. Countries were asked about their preparation for the 2020 World Census Programme of censuses and how the United Nations should facilitate experience exchanges and promote the use of best practices in census-taking. Countries could mark multiple responses to this question. Workshops or meetings (84 per cent) and working papers, technical manuals or technical reports (83 per cent) were the most the frequently cited ways, followed by revising the *Principles and Recommendations for Population and Housing Censuses* for the 2020 World Census Programme (81 per cent). Conferences (72 per cent) and training (72 per cent) also ranked high. The use of social media to facilitate an exchange of experience ranked the lowest (25 per cent).

68. The United Nations could play a significant role in planning for the 2020 round by providing opportunities for countries to exchange information on their 2010 round experiences and promote the full range of possible census methods. For some countries, guidance is needed on how to choose the most appropriate method(s) to use in the 2020 round by carefully reviewing their country's census goals and its particular data needs. With so many emerging options for census-taking, countries need to be mindful of their goals, capabilities and funding when deciding on an approach.

Recommendation 8: Due to the anticipated increased use of new technologies and emerging trends in census-taking, a third revision to the United Nations *Principles and Recommendations for Population and Housing Censuses* should be developed. This also includes the need to review and update the United Nations "core census topics" and the list of recommended tabulations. Harmonization of census data within (and across) regions can be achieved by ensuring census outputs comply with the recommended tabulations and the United Nations *Demographic Yearbook* data-collection requests.

[10] *Handbook on Census Management for Population and Housing Censuses, Revision 1*, United Nations publication, Sales No. E.00.XVII.5, Rev. 1; and *Handbook on Population and Housing Census Editing, Revision 1*, United Nations publication, Sales No. E.09.XVII.11.

Recommendation 9: Countries should consider many factors and select the most appropriate method(s) and technology(ies) for their own unique situation and data needs. What is appropriate for one country may be inappropriate for another country's census-taking.

Recommendation 10: The United Nations should provide training, workshops and guidance on determining which census methodologies to use to meet the needs and unique situation of each country.

69. To fully address the needs of the statistical community and the challenges of the 2020 round of censuses, we recommend that the Statistical Commission direct the Statistics Division to plan a series of expert meetings. These meetings will gather more detailed information on the lessons learned, identify best practices from the 2010 World Census Programme and clarify emerging trends for the 2020 World Census Programme. This information will be the starting point for planning the 2020 World Programme on Population and Housing Censuses, revisions to key United Nations census publications and preparation for workshops and training in the coming decade.

Recommendation 11: Plans should be made for expert meetings to discuss detailed 2010 census round lessons learned, emerging trends for the 2020 census round and the role of the Statistics Division in providing assistance.

70. Finally, the survey results indicate the need for continued United Nations support of national census-taking worldwide for the 2020 census round. The Statistical Commission is requested to propose a resolution, supported by Member States, to establish the 2020 World Programme on Population and Housing Censuses.

Recommendation 12: Propose a United Nations resolution to kick-off the 2020 World Programme on Population and Housing Censuses.

VII. Conclusions

71. The 2010 World Census Programme may be a transitional time for the world censuses. Census- taking has evolved from face-to-face interviewing and counting by hand to the age of computers and multiple data-collection methods being used.

72. Many societal and technological changes are driving the way we conduct a census. To meet these emerging and evolving trends greater cooperation and collaboration among countries will be required.

73. By the time the 2020 census round begins, technologies and methods for census-taking will likely change rapidly leading towards a paperless (electronic) census being conducted using multiple data- collection modes and processed as the data are received.

74. Countries will need to acquire technical expertise and prudent decision-making to select the most appropriate methods and technologies for their censuses. Resources, funding and data quality will need to be balanced with participation and privacy concerns for successful census-taking in the 2020 World Census Programme. Best practices, lessons learned and open exchanges of information are needed in moving towards the 2020 census round.

75. The preliminary lessons learned from the 2010 World Census Programme are presented throughout sections IV, V and VI of the present review. The lessons learned formed the basis for the recommendations presented in the body of the review and summarized below.

VIII. Recommendations and points for discussion

76. The Commission is invited to think about the current state of worldwide census- taking and to discuss the potential implications of impending technological and methodological changes to the 2020 round of world population and housing censuses. The Commission is requested to continue to provide guidance to the Statistics Division for the 2020 World Population and Housing Census Programme as Member States prepare to meet the challenges of the next decade.

77. **The Commission may wish to consider the following recommendations (summarized from the sections above):**

1. **The present programme review provides an initial evaluation of the censuses conducted and lessons learned but it is too early in the decade to get a good assessment of the programme from most countries, as the bulk of census-taking occurs in the years ending in 10 and 11. The Statistical Commission should consider conducting another lessons learned evaluation as the 2010 census round closes out in 2014.**

2. **An international working group should be established to develop and test an instrument to look at census challenges, lessons learned and directions for the future. The present survey would be used at the beginning of a census cycle, at the mid-point and at the end, to assess the trends of the decade. Repeated use of the same instrument will enable comparison of data throughout the decade. A companion document explaining the purpose of each survey question should be created.**

3. **Work should be done to develop an accurate, viable method to estimate the costs of conducting a census, which can be used to compare census cost across regions and/or countries.**

4. **The United Nations should create a task force or committee to rethink, update and synchronize definitions of census terminology for data**

sources and enumeration methods based on current practices. Care should be taken to ensure that terminology and acronyms are defined and consistently used.

5. The United Nations should monitor changes in technology carefully. With such rapid changes in technology, a country's decisions regarding the use of a particular technology need to be fluid and not rigid.

6. Consideration should be given to preparing a technical manual on contracting for census technologies or expanding the existing contracting information in the *Principles and Recommendations for Population and Housing Censuses*.

7. The United Nations should play a more active role in calling for continued and increased collaboration and cooperation with respect to census activities among countries.

8. Due to the anticipated increased use of new technologies and emerging trends in census-taking, a third revision to the *Principles and Recommendations for Population and Housing Censuses* should be prepared. This also includes the need to review and update the United Nations "core census topics" and the list of recommended tabulations. Harmonization of census data within (and across) regions can be achieved by ensuring that census outputs comply with the recommended tabulations and the United Nations *Demographic Yearbook* data-collection requests.

9. Countries should consider many factors and select the most appropriate method(s) and technology(ies) for their own unique situation and data needs. What is appropriate for one country may be inappropriate for another country's census-taking.

10. The United Nations should provide training and guidance on determining which census methodologies should be used to meet the needs and unique situation of each country.

11. Plans should be made for the holding of expert meetings to discuss detailed 2010 census round lessons learned, emerging trends for the 2020 round and the role of the Statistics Division in providing assistance.

12. A United Nations resolution should be proposed to kick-off the 2020 World Programme on Population and Housing Censuses.

Annex

Countries that responded to the 2010 World Population and Housing Programme review questionnaire

Africa
Botswana
Burkina Faso
Central African Republic
Chad
Comoros
Egypt
Ethiopia
Gambia
Ghana
Lesotho
Mali
Mauritius
Morocco*
Mozambique
Niger
Rwanda
Senegal
Seychelles
Swaziland
United Republic of Tanzania
Zambia
Zimbabwe

North America
Antigua and Barbuda*
Bahamas
Barbados
Canada
Costa Rica
Cuba
Dominica
Dominican Republic
Jamaica
Mexico
Nicaragua
Panama
Saint Vincent and the Grenadines
Trinidad and Tobago
United States of America

South America
Argentina
Chile
Colombia
Ecuador
Peru
Suriname
Uruguay

Asia
Afghanistan
Armenia
Azerbaijan
Bhutan
Cambodia
China
Indonesia
Iraq
Israel
Japan
Jordan
Kuwait
Lebanon
Malaysia
Maldives
Mongolia
Oman
Pakistan
Philippines
Qatar
Republic of Korea
Saudi Arabia
Singapore
Sri Lanka
Tajikistan
Thailand
Timor-Leste
Turkey*
Viet Nam

Europe
Albania
Austria
Belarus
Croatia
Czech Republic
Denmark
Estonia
Finland
Germany
Greece
Hungary
Iceland
Ireland
Italy
Latvia
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Lithuania
Luxembourg
Montenegro
Netherlands
Norway
Poland
Portugal
Republic of Moldova
Romania
Russian Federation
Serbia
Slovakia
Slovenia
Spain
Sweden
Switzerland
Ukraine
United Kingdom of Great Britain and Northern Ireland

Oceania
Australia
Kiribati
Nauru
New Zealand
Palau
Tuvalu

* These countries submitted their questionnaires after the 1 September 2011 deadline. Hence, the information provided by them is not included in the survey results.

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Items for discussion and decision: crime statistics

National Institute of Statistics and Geography of Mexico

Note by the Secretary-General

The Secretary-General has the honour to transmit the report of the National Institute of Statistics and Geography of Mexico (INEGI) on crime statistics. There are different challenges that affect crime statistics at the national and international levels, including the development of standard concepts and definitions, the lack of coordination among national institutions and different data sources, and the lack of an international framework to classify data on conventional and complex crimes. The Statistical Commission is invited to discuss actions to be taken by the various actors of the international statistical system, being national statistical offices or international and regional organizations, to overcome these challenges. Issues that will be discussed include: (a) the strategies to be adopted by national statistical offices to better coordinate the collection, dissemination and analysis of crime data; (b) the increased role of victimization surveys; (c) the measurement of emerging and "difficult-to-measure" crimes, such as organized crime, corruption and trafficking in persons; (d) the development of an international crime classification framework to improve the comparability of data within and across countries; (e) the establishment of the INEGI-United Nations Office on Drugs and Crime Centre of Excellence for Statistical Information on Governance, Victims of Crime, Public Security and Justice; and (f) the first international conference on crime statistics.

* E/CN.3/2012/1.

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Report of the National Institute of Statistics and Geography of Mexico on crime statistics

I. Introduction

1. Levels of crime and violence are among the biggest threats to the stability and development of countries. They affect critical aspects of the daily living of citizens and they often have high priority in the agenda of policymakers. Fighting crime, managing prevention programmes and promoting security require a comprehensive statistical system that can provide the evidence to monitor the levels and trends of all forms of crime and their impact on the affected entities. In many countries, however, statistical systems on crime are still facing important challenges in providing high-quality statistical data on trends and patterns of crime.

2. In order to meet such challenges successfully, action is needed at both the national and international levels, where national statistical offices should play a stronger role. The present report identifies a number of challenges and possible actions to further enhance the quality of statistical data on crime. It builds on the report on statistics on drugs, drug use and crime, submitted by the United Nations Office on Drugs and Crime to the forty-first session of the Statistical Commission (E/CN.3/2010/19) and a number of resolutions adopted by the Commission on Crime Prevention and Criminal Justice and the Economic and Social Council by which Member States were invited to strengthen their efforts to review and improve data-collection tools in order to enhance knowledge on world crime trends and patterns.[1] It also takes into account the conclusions of the Expert Group Meeting on the Scope and Content of Social Statistics (ESA/STAT/AC.161/L.6) held in New York in 2008.

II. Data collection on crime and criminal justice at the national level

3. Despite the high relevance and political sensitivity of the topic of crime and criminal justice, national statistical offices have often been involved only marginally in the development and maintenance of a crime statistical system. As with other sector statistics (such as health or education), data on crime have traditionally been based on administrative records maintained by the substantive institutions such as police, prosecution, courts, prison and other agencies. Such data are closely linked to national criminal legal systems, which define offences and identify the institutions responsible for law enforcement and criminal justice. These data are a by-product of complex procedures put in place by States to enforce criminal law and to ensure that offences, offenders and victims are properly considered by criminal justice systems. In general, statistical requirements do not have priority in the design of crime-recording systems and several challenges need to be addressed to produce high-quality statistical data based on these systems. Administrative data on crime do not reflect only the underlying trends and patterns in crime but also the effectiveness of the various State institutions responsible. Among all forms of

[1] See, for example, Commission on Crime Prevention and Criminal Justice, resolution 19/2 on strengthening the collection, analysis and reporting of comparable crime-related data (E/2010/30, chap. I.D).

statistics on crime that are based on administrative reporting, police data typically represent the closest approximation to the actual extent of crime, while data provided by criminal justice bodies (prosecutors, courts, prisons, etc.) describe the modalities and efficacy of the State response to crime. In all cases, the data emanating from criminal justice systems reflect only the offences that are detected or reported to the authorities, while undetected and unreported crime remains unmeasured.

4. More recently, victimization surveys have emerged as one of the important pillars of crime statistics. Victimization surveys are an important tool to collect information on a number of highly relevant aspects that administrative statistics cannot cover. These include the characteristics of victims, the impact of crime on victims, perceptions of crime and attitudes towards the police and other agencies. In addition, victimization surveys can capture the portion of crimes that are not reported to the police and that consequently are not measured in administrative statistics. Victimization surveys can therefore assist in building a more comprehensive picture of the levels and patterns of crime in a country. In some countries, these surveys have been incorporated into the regular national survey programmes and are considered instrumental in providing reference information on crime and designing evidence-based criminal justice policies; in others, they are carried out by local governments, non-governmental organizations (NGOs) or research institutions with only a limited impact on the leading national crime policy programmes.

5. Given the complex system of actors and data sources that are involved in crime statistics, there is a need to have a greater involvement of national statistical offices in the development and maintenance of a coordinated and comprehensive system of crime and criminal justice statistics. The main role of the national statistical offices can be summarized as follows:

6. **Coordination**. As the coordinator of national statistical systems, the national statistical office is often best placed to exercise an institutional mandate to conduct a coordinated dialogue among the statistical entities of the different institutions (in particular, police, prosecution, court and prisons). The core aspects of such coordination may include: (a) the development of statistical standard definitions and concepts to be applied across all institutions; (b) the design of improved statistical methodology; (c) technical support to individual agencies; and (d) the dissemination of crime statistics integrating data from various institutions and data sources. The coordinating role of the national statistical office becomes even more crucial in countries where the competence of the crime and criminal justice system is organized at different levels, typically state and federal. In these situations, data collections based on administrative records are usually structured according to the competences of the various institutions (state and federal), posing an additional challenge to the task of producing summary data for the entire country.

7. **Enhancement of quality standards**. Information based on crime statistics can have strong political implications; therefore, the collection, analysis and dissemination of crime data should be based on the highest quality standards. Important elements are professional independence, transparency, statistical confidentiality, impartiality and objectivity. While these aspects are not a monopoly of the national statistical office, the office can have an important role to advocate and strengthen, where needed, the quality components of the single institutions that

manage the administrative statistics. Enhancing also its role to collect, standardize and disseminate the data from all relevant institutions, the national statistical office can better enforce standards in the releasing of data with modalities that are independent from the political process.

8. **Implementation of victimization surveys**. The value of victimization surveys has been increasingly recognized by policymakers and today they represent in some countries the key source of information for monitoring crime policies. Victimization surveys are carried out in a wide range of countries, with different implementation modalities: within national statistical systems or as part of research programmes; covering the entire national territory or only selected urban or rural areas; and with a regular time frame or on an ad hoc basis. National statistical offices have increasingly been involved in victimization surveys either as the main responsible agency defining content, methodology and implementing modalities or as the "field" agency defining only the implementing modalities. Despite the increasing role of surveys in the general understanding of crime, victimization surveys still remain in many countries an activity that is outside national statistical systems. National statistical offices can play a better role in integrating these surveys into the regular survey programme of official statistics. Depending on how a national statistical system is articulated, national statistical offices can cooperate with substantive agencies, research organizations and civil society and contribute at different levels, from the provision of technical advice and the development of sound methodology to becoming the active promoter and implementer of victimization surveys. As the coordinator of official statistics, the national statistical office should also be proactive in ensuring that victimization surveys are considered when statistical master programmes are developed. Considering the utilization of surveys to collect data on crime within the broader prospective of national statistical plans brings more flexibility and efficiency and, for example, allows the inclusion of victimization modules in existing surveys, where appropriate. A regular annual programme of victimization surveys is currently institutionalized within the framework of official statistics in some countries, such as Australia, Canada, Chile, Mexico, the United Kingdom of Great Britain and Northern Ireland and the United States of America. Many other countries implement victimization surveys within the framework of official statistics with a longer time frame (for example, every five years) or on an ad hoc basis. An inventory of victimization surveys carried out by the United Nations Office on Drugs and Crime and the Economic Commission for Europe (ECE) under the auspices of the Conference of European Statisticians (CES) in the 56 ECE member States in 2006, revealed that over the past three decades, 23 countries had implemented specialized victimization surveys and an additional 16 countries had added a module on victimization in existing surveys. As victimization surveys become more widely adopted, the desire to use them for international comparative purposes has increased over the years.

Box 1
Initiatives developed to standardize victimization surveys

Programme	*Description*	*Reference for more information*
International Crime Victimization Survey	The International Crime Victimization Survey was developed in 1987 to provide a standard questionnaire and overcome differences in crime definition and survey methodology. Initially focusing on developed countries, with the involvement of the United Nations Interregional Crime and Justice Research Institute and the United Nations Office on Drugs and Crime, the surveys increasingly expanded to developing countries. By 2006, more than 70 countries had carried out at least one survey.	http://en.wikipedia.org/wiki/The_International_Crime_Victims_Survey
European Union Safety and Security Survey	The European Union Safety and Security Survey is coordinated by Eurostat and aims to implement in the year 2013 a fully harmonized European Union victimization survey in all 27 European Union member States, plus additional European countries.	http://arno.uvt.nl/show.cgi?fid=113047
Regional System of Standardized Citizen Security and Violence Prevention Indicators	The "Regional System of Standardized Citizen Security and Violence Prevention Indicators" project is coordinated by the Institute Cisalva of the University of Cali (Colombia) and supported by the Inter-American Development Bank. About 15 countries from Central and South America and the Caribbean participate in this project and have developed a core survey module.	http://bprindicadoresbid.univalle.edu.co/proyect.html

III. Challenges faced by countries on crime statistics

9. A number of advancements have been made in crime and criminal justice statistics and today more and better information is available at the national level to support crime prevention policies. Some countries have made considerable progress in improving national coordination, strengthening recording systems, developing survey methodology to measure crime and enhancing analytical capacity so as to

make crime statistics meaningful in the context of policy. However, there are still challenges that limit the ability of countries to develop national comprehensive and coordinated crime and criminal justice statistical systems. Many of the challenges relate to the lack of technical and financial resources of relevant agencies, which translates into the struggle of institutions such as police, courts, prosecution and penal systems to develop or maintain efficient, comprehensive, coordinated and fully computerized recording systems. However, there are also institutional challenges. The presence of different institutions dedicated to law enforcement such as police, gendarmerie, customs, financial police and the different institutional levels of criminal codes (distinguishing federal- and state-level crime) make it more difficult for countries to construct an integrated data system that can cover all offences for an entire country.

10. Similarly, the capacity of countries to implement victimization surveys varies across countries and regions. In Europe, North America, Australia and New Zealand there is a general understanding of the value of the data collected from victims, and a number of countries have established national victimization survey programmes. In South America, there is a long tradition to monitor crime and there are a number of crime observatories at the city, regional and national levels, where population-based surveys are among the tools used in developing crime prevention policies. However, some of these surveys only partially cover the national territory and do not have sustainability over time. Victimization surveys are not a rooted practice in many of the countries in Africa, Asia and the Pacific, where crime statistics are often solely confined to data related to the crimes reported to the authorities.

Box 2
Crime statistics in Mexico

The example from the National Institute of Statistics and Geography of Mexico (INEGI) shows that national statistical offices can have an important role in enhancing the national coherence of crime data, as it has taken an integral approach to the production of statistics on crime, both assuming the role of coordinator of the statistical activities of all Government agencies and increasing its role as direct producer of statistics.

In the past few years, INEGI has systematized all the projects concerning the production of statistical information on crime and other related data through various Government censuses, victimization and perception surveys and the improvement of administrative records. It has developed a standard classification to collect administrative data on crime from all national and subnational institutions. For the first time, Mexico can provide reliable national data on victimization (criminal incidence and prevalence), the dark figure, perception and institutional evaluation referred to the federal, state and municipal levels. In addition, information on Government resources, performance and justice and prosecution has become available.

11. There are different reasons that can explain the weak engagement of some national statistical offices in crime and criminal justice statistics:

(a) Other national institutions such as the ministry of the interior or the police department have developed a strong research and statistical component and are in a better position to lead data collection and dissemination activities;

(b) Crime-related data are seen as a matter to be managed only by institutions that are designated to prevent or fight crime and the role of national statistical offices is not perceived as relevant by the office itself or by policymakers;

(c) There is a shortage of resources that can be devoted to the area of crime in national statistical offices, which can affect their capacity to establish a leading position and to effectively exercise a coordinating role.

12. A number of initiatives have been implemented to support countries in the development of crime and criminal justice statistics. International organizations such as the United Nations Office on Drugs and Crime, the World Bank and the United Nations Development Programme have provided training on the recording, compilation and use of crime and criminal justice data as part of their global efforts to enhance the quality of governance. As mandated by the Economic and Social Council and the Commission on Crime Prevention and Criminal Justice, the United Nations Office on Drugs and Crime has developed standards and guidelines on crime and criminal justice statistics.[2] The Office has also provided more direct support through projects providing assessments and training for the development of crime and criminal justice statistics.[3] In many countries, the Office provides methodological support to States in the development of their crime and criminal justice statistics systems as well as in the conduct of victimization surveys. Over the past five years, for example, the Office has supported a series of crime victimization surveys in seven African countries in its "Data for Africa" programme, including Cape Verde (2008), Egypt (2008), Ghana (2009), Kenya (2010), Rwanda (2008), Uganda (2007) and the United Republic of Tanzania (2008).[4]

[2] Economic and Social Council resolution 2009/25, entitled "Improving the collection, reporting and analysis of data to enhance knowledge on trends in specific areas of crime".

[3] A recent example includes a two-year project funded by the European Union and implemented between 2009 and 2011 by the United Nations Office on Drugs and Crime with a number of partners that aimed to strengthen monitoring instruments for judicial and law enforcement institutions in the countries of the western Balkans by bringing national statistical mechanisms into compliance with relevant international standards and good practices.

[4] The results of the crime victimization surveys are available from www.unodc.org/unodc/en/data-and-analysis/Data-for-Africa-publications.html. The surveys used a standard questionnaire that was adapted, as necessary, to reflect local needs and understanding of crime and justice concepts.

Box 3
Areas where countries need assistance

In order to improve the capacity of countries to develop and maintain a relevant, coherent and comprehensive crime statistics system, there is the need to focus on different areas:

- Promote the idea that national statistical offices can be more involved in the collection and coordination of crime and criminal justice statistics and support an ongoing dialogue between the national statistical office and other national institutions engaged in the recording and processing of crime-related data in order to maximize the provision and the analysis of data
- Strengthen the capacity of national statistical offices to be more engaged in the field of crime statistics and develop statistical standards, provide technical support to individual agencies and coordinate the dissemination of data
- Promote the implementation of victimization surveys within the framework of national statistical systems
- Provide technical support to national statistical offices to design and implement national victimization surveys with a wide consultation with relevant stakeholders
- Support institutions that record crime and criminal justice events to bring their statistical systems in line with international standards and best practices, to strengthen their recording and data collection capacities (e.g., through computerizing their systems) and to enhance their analytical competencies for producing high quality outputs.

13. Recently, INEGI and the United Nations Office on Drugs and Crime established the first Centre of Excellence for Statistical Information on Governance, Victims of Crime, Public Security and Justice, with the objective of supporting countries in the Latin America and the Caribbean region to implement victimization surveys and improve the role of national statistical offices in crime statistics. The Centre is also a forum where research is undertaken to develop new statistical methodology and where experts can draw up guidelines on how to measure the crime-related phenomena that are most relevant for the countries in the region and the international community.

Box 4
INEGI-United Nations Office on Drugs and Crime Centre of Excellence for Statistical Information

The Centre is located in Mexico City and Aguascalientes and focuses on the production and analysis of statistical information on government, crime, victimization and justice to achieve the following objectives:

- To develop institutional capacities for statistical production
- To support countries in the development of victimization surveys
- To provide training and technical assistance
- To create a network of experts in the production and analysis of statistics on government, crime, victimization and justice
- To conduct research and trend analysis
- To promote crime classification in the region

IV. International standards on crime statistics

14. The provision of international standards can support the collection, dissemination and analysis of crime and criminal justice statistics by making data across countries more comparable and providing guidelines to countries on how to design and maintain data-collection systems. In the area of crime and operations of criminal justice systems, it is particularly challenging to promote comparable indicators across different jurisdictions, because administrative statistics on crime and criminal justice are based on national (penal) legislation and different legal definitions. In addition, procedures for data collection, recording practices and counting rules differ widely among countries. The capacities of law enforcement and criminal justice agencies to produce good quality statistics also varies widely, as many countries lack the resources to ensure effective coordination and the employment of staff trained in record-keeping and statistical data production.

15. While there are no binding international standards for the production of crime statistics, the United Nations has long promoted a set of widely recognized guidelines for crime and criminal justice statistics and has recognized the central role of national statistical offices in coordinating the production of such statistics. The *Manual for the Development of a System of Criminal Justice Statistics*[5] provides detailed guidelines on organizational options and the scope and content of a system of criminal justice statistics encompassing police, prosecution, court and prison data and offers valuable guidance on the collection, processing, analysis and dissemination of such statistics. Regarding victimization surveys, the joint ECE/United Nations Office on Drugs and Crime *Manual on Victimization Surveys* provides detailed guidance on the full cycle of implementing a victimization survey, from planning, design, methodology and questionnaire design, to data processing,

[5] United Nations publication, Sales No. E.03.XVII.6.

dissemination and survey evaluation. At the regional level, ongoing statistical initiatives (such as those of the European Union) facilitate the adoption of common standards and definitions, as detailed in the 2010 United Nations Office on Drugs and Crime report, *Developing Standards in Justice and Home Affairs Statistics — International and EU Acquis*.

16. CES has embarked on an effort to define a framework for a common crime classification system and established in 2009 a United Nations Office on Drugs and Crime/ECE Task Force on Crime Classification. The Task Force has developed a framework that categorizes all criminal acts and events on the basis of "events" rather than (widely different) legal definitions, allowing for meaningful comparisons of statistics on crime and criminal justice. The Bureau of CES has approved the preliminary work of the Task Force, which lays down the principles for an international crime classification for statistical proposes (framework classification of crime) consisting of three categorization levels and a number of additional horizontal attributes. CES has extended the mandate of the Task Force until the end of 2012 and has tasked it with further developing the framework classification of crime by preparing additional case studies and further classifying selected criminal offences. The work carried out by CES and its Task Force is very promising and some CES countries have indicated that they could map their data into the developed framework. It would be important for the testing and the developmental work for the classification to be extended to other regions outside Europe to ensure its wider applicability. The INEGI-United Nations Office on Drugs and Crime Centre of Excellence for Statistical Information has included in its work programme the testing of the framework classification of crime, in the Latin American region. It is hoped that other regions engage in similar initiatives and that the Statistical Commission closely monitors the development of the classification.

17. In the Sixth Meeting of the Statistical Conference of the Americas, which took place from 16 to 18 November 2011 in Punta Cana, Dominican Republic, the challenges that national statistical offices face when measuring crime statistics were analysed and there was a presentation of the work of the INEGI-United Nations Office on Drugs and Crime Centre of Excellence.

18. The Conference adopted a recommendation to support countries' efforts to produce and disseminate information on crime, in particular through the inclusion of victimization surveys in the regular programme of national statistical offices. The Conference requested international organizations to promote international standards for the implementation of victimization surveys and the development of crime classifications. It also welcomed the establishment of the Centre of Excellence and asked that it support countries' efforts to produce statistics on the subject and that it develop standards for the measurement of crime.

19. The Conference requested the Statistical Commission to include the issue of crime statistics in its regular programme of work.[6]

20. In terms of data collection and dissemination at the international level, the United Nations Office on Drugs and Crime is the mandated organization that regularly collects data on crime and criminal justice. As the global body tasked to promote effective responses to crime, drugs and terrorism, including through the

[6] Resolution 7 (VI), para. 50, available at http://www.eclac.cl/deype/noticias/noticias/5/44535/SCA6_Resolution7VI.pdf

provision of knowledge, statistical data and analysis, the Office is mandated to carry out a regular data collection on administrative crime and criminal justice among Member States through the United Nations Survey of Crime Trends and Operations of Criminal Justice Systems. Implemented since the early 1970s, the Survey is currently conducted annually and includes a core set of modules that are repeated annually as well as special one-off modules focusing on specific crime issues. The structure of the Survey was adopted by the Commission on Crime Prevention and Criminal Justice. In order to support countries in increasing the quality, availability and cross-country comparability of the data provided, the United Nations Office on Drugs and Crime provides advisory services and special training sessions to requesting countries. In addition, the establishment of a network of national contact points for statistics on crime and criminal justice is an important step towards raising the volume and quality of responses to the Survey. In only a few countries, the national contact point nominated by the national authority is located within the national statistical office. On the regional level, the United Nations Office on Drugs and Crime collaborates closely with regional organizations, such as the Statistical Office of the European Union (Eurostat) and the Organization of American States, in the harmonization of data-collection instruments and in the collection of responses to the Survey from States. Data collected by the United Nations Office on Drugs and Crime are disseminated through the Web and publications where data are analysed in order to provide in-depth knowledge on specific topics. The most recent publication is the *2011 Global Study on Homicide: Trends, Contexts, Data*.[7]

V. Emerging and difficult-to-measure crimes

21. In addition to valid and comparable measures of conventional crime, official statistics are increasingly expected to provide reliable measures to improve knowledge on more complex and emerging forms of crime, such as trafficking in persons, smuggling of migrants, trafficking in environmental resources, cybercrime, money-laundering and corruption. The measurement of such crimes presents additional challenges rooted in the nature of the offences, their wide range and their transnational nature. The operations behind these crimes are very sophisticated and the crimes are difficult to detect and are sometimes without an individual victim. These forms of crime are often perpetrated by organized criminal groups and the broad measurement of organized crime is itself a challenging task for official statistical agencies at the country and international levels.

22. The United Nations Convention against Transnational Organized Crime provides the basis and some important concepts that can be used to build a framework for measuring organized crime, such as for setting criteria to define organized criminal groups, at both the national and transnational levels. Further work is, however, needed to develop operational criteria to measure organized crime and to identify statistical data and relevant sources. A reference in this sense is also provided by the Convention, which explicitly states that in article 28 "common definitions, standards and methodologies should be developed and applied as appropriate".

[7] Available from http://www.unodc.org/unodc/en/data-and-analysis/statistics/crime/global-study-on-homicide-2011.html.

Box 5
Examples of emerging and difficult to measure crime

- Trafficking in persons
- Smuggling of migrants
- Trafficking in environmental resources
- Cybercrime
- Money-laundering
- Corruption

23. A comprehensive framework for measuring organized crime should explicitly address the offences related to participation in organized groups as well as the different manifestations of organized crime in other offences (such as homicides). This implies, for example, that data-collection systems based on recorded crimes need to be adapted to flag those crimes that are committed by organized groups so that the measurement of organized crime becomes more realistic.

24. The same challenge exists for other complex forms of crime that may not be related to organized crime, such as the smuggling of migrants, money-laundering, cybercrime and corruption. Some work has been carried out to develop statistical standards and produce data for several of such crimes, at both the national and international levels. For example, in 2010 Eurostat produced a first review of data and indicators on money-laundering at the European Union level.[8] This pioneering work, requested by the European Commission, identified a number of concrete challenges to collecting data and building indicators in this field.

25. Corruption represents another area where there is an increasing demand for quantitative measures. Assessments of the level of corruption have been produced at both the national and international levels over the past decades. However, many such assessments — which are often based on indirect methods or perception-driven — present major weaknesses from a methodological point of view. More recently, the undertaking of sample surveys[9] focusing on direct experiences of corruption by the population or businesses have shown that solid and evidence-based data on corruption can be produced. However, there is no consolidated methodology to produce reliable and standardized measurements of corruption and the various approaches tested to date have not been translated into a standard statistical apparatus (concepts, survey methods and tools, indicators).

26. A number of steps are needed to enhance the measurement of these complex and highly relevant forms of crime. Building on what has already been done,

[8] Eurostat, *Money laundering in Europe, Report of work carried out by Eurostat and DG Home Affairs*, (Luxembourg, 2010)

[9] An example is represented by the coordinated corruption surveys implemented in 2010 by the countries (in many cases national statistical offices) in the Balkans with the support of the United Nations Office on Drugs and Crime and the European Union (http://www.unodc.org/documents/data-and-analysis/statistics/corruption/Western_balkans_corruption_report_2011_web.pdf).

methodological work is required to define the parameters for the measures and for identifying how traditional data-collection systems (administrative records or surveys) can be modified in order to better identify and record these forms of crime. Given the transnational nature of most of these phenomena and the need to measure flows across countries and regions, it is important that international standards are developed in a way that national data can be easily compared and linked.

27. This comes from the existence of international legal instruments, such as the United Nations Convention against Transnational Organized Crime and its protocols and the United Nations Convention against Corruption, in which countries have already expressed a strong commitment to work together and which provide the basis for any measurement exercise.

VI. International Conference on Crime Statistics

28. While several scientific events on crime research are held at the academic and governmental levels, the international statistical system lacks opportunities to exchange practices and discuss statistical standards on crime. More broadly, the international statistical system needs to reflect on how crime statistics can be better incorporated into national statistical systems and how to promote the role of national statistical offices in crime and criminal justice statistics. To that end the INEGI-United Nations Office on Drugs and Crime Centre of Excellence for Statistical Information will organize the first International Conference on Government, Crime, Victimization and Justice Statistics, to be held in Aguascalientes, Mexico, from 22 to 25 May 2012. The Conference aims to become a regular forum for the discussion and analysis of statistical information on the subject matters. It will gather official statisticians, academics, researchers and members of NGOs, as well as officials who use statistical information and are responsible for formulating and implementing public policies. The Conference will promote exchange of information among data producers and facilitate dialogue with the many users of crime data with a view to enhancing the quality of statistical information in this field.[10]

VII. Conclusions

29. The increased concern of the public and policymakers on security and good governance is demanding more and better statistics on crime and criminal justice, particularly in those areas where citizens and Government institutions are more affected. National statistical offices can play an active role in this process. The full involvement of national statistical offices can be highly beneficial for the enhancement of national crime statistics systems by coordinating and providing methodological support to national institutions (including police, prosecution, courts and prisons) and by raising the quality of crime statistics through the implementation of professional and independence standards. National statistical offices are also well positioned to promote sustainable programmes of victimization surveys at the country level. The conduct of victimization surveys, be it in the form

[10] For further information visit www.cdeunodc.inegi.org.mx.

of ad hoc surveys or survey modules, should become part of the regular planning of statistical surveys implemented by national statistical offices.

30. Several countries need technical and financial support to upgrade their crime statistics system. In the sphere of administrative data on crime, assistance is needed to produce consistent statistics across the various bodies involved in law enforcement and criminal justice systems, especially where there are different levels of competence across jurisdictions. Technical assistance is also needed to promote and implement victimization surveys, especially where national statistical offices do not have a well-established role in the field of crime statistics. The INEGI-United Nations Office on Drugs and Crime Centre of Excellence for Statistical Information can provide an important role in supporting countries in the region and at the global level in improving their capacity to collect, disseminate and analyse crime data. It can also support the development of new statistical guidelines and standards through research and testing of methodology and expert consultation.

31. The development of international standards in the field of crime statistics needs to continue in order to support countries to produce comparable data and set firmer bases for national data production. The framework classification of crime jointly developed by the United Nations Office on Drugs and Crime and ECE, under the auspices of CES, represents a solid basis for developing an international classification of crime through a broad and comprehensive participation process. This effort should be expanded to other regions and should be monitored by the Statistical Commission and the international statistical system.

32. Further methodological work at the international level is needed to produce statistical measures of several complex crimes, such as trafficking in persons, smuggling of migrants, trafficking in environmental resources, cybercrime, money-laundering and corruption. In these areas, statistical standards are at their early stage and guidance at the international level is needed to develop measures on these crimes, especially in the context of transnational organized crime.

33. An international conference on crime statistics could provide a forum to advocate for an improved contribution of national statistical offices to the development of crime statistics at the national and international levels and could represent a valuable opportunity to regularly reflect on the development of standards in crime statistics and address the emerging challenges of measurement and analysis.

VIII. Points for discussion

34. **The Commission may wish to:**

(a) **Recommend an improved involvement of national statistical offices in the coordination of administrative and survey-based crime statistics at the national level while acknowledging the role of other national institutions, such as ministries of the interior and justice, in continuing to maintain and analyse crime data;**

(b) **Invite national statistical offices to promote national victimization surveys and include such surveys in their regular data production;**

(c) Encourage the international community to support countries to implement victimization surveys within the framework of official statistics and to improve registration systems;

(d) Improve the quality and availability of crime statistics at the international level, through: (i) the testing of the draft framework classification of crime, building on the work of the CES; and (ii) better coordination between the Statistical Commission and the Commission on Crime Prevention and Criminal Justice to ensure the better quality and availability of the data disseminated at the international level;

(e) Acknowledge the establishment of the INEGI-United Nations Office on Drugs and Crime Centre of Excellence for Statistical Information and ask the Centre to support countries to strengthen the quality and availability of crime statistics through various activities, including technical assistance and the testing of methodology to measure emerging and "difficult-to-measure" crimes;

(f) Request the INEGI-United Nations Office on Drugs and Crime Centre of Excellence to organize in 2012 the first international conference on crime statistics.

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Report of the Intersecretariat Working Group on National Accounts

Note by the Secretary-General

In accordance with a request of the Commission at its forty-second session (see E/2011/24, chap. I.A), the Secretary-General has the honour to transmit the report of the Intersecretariat Working Group on National Accounts. The Commission is requested to express its views on the points for discussion set out in section IX of the report.

* E/CN.3/2012/1.

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Report of the Intersecretariat Working Group on National Accounts

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Report of the Intersecretariat Working Group on National Accounts

I. Introduction

1. At its forty-second session in 2011, the Statistical Commission (see E/2011/24, chap. I.B, decision 42/103):

(a) Welcomed the report[1] and commended the Intersecretariat Working Group on National Accounts for its work;

(b) Welcomed the publication of the English-language version of the *System of National Accounts, 2008*[2] (2008 SNA) and its distribution to Member States;

(c) Expressed its appreciation for the progress made in translating the 2008 SNA into other languages, including the official languages of the United Nations, and expressed its deepest appreciation to the institutions involved in the translation process;

(d) Supported the proposed mandate and governance arrangements of the Working Group and the Advisory Expert Group on National Accounts, and requested the Working Group to bring issues that were on the research agenda and the implementation of the 2008 SNA to the attention of the Advisory Expert Group on National Accounts, as necessary according to updated procedures, for its consideration, with a view to ensuring wide participation by the global statistical community on these issues, in particular the treatment of emission permits under cap and trade schemes and financial intermediation services indirectly measured;

(e) Requested the Working Group in consultation with the Advisory Expert Group on National Accounts to consider guidance on: incorporating the contribution of the informal sector for an exhaustive measure of gross domestic product (GDP); household sector issues, including distributional aspects of household income; issues of well-being as reflected in the findings of the Commission on the Measurement of Economic Performance and Social Progress (Stiglitz report) and of other national and international reports on this matter; measurement of research and development; measurement of financial services; preparation of quarterly national accounts; and compilation of expenditure components of GDP; and to report to the Commission in due course on the outcome;

(f) Noted the proposal by the Working Group to monitor the progress in implementing the 2008 SNA, and requested the Working Group to exercise flexibility in the implementation of the 2008 SNA;

(g) Welcomed the dedicated webpage of the Working Group on the implementation of the 2008 SNA to facilitate the exchange of experiences of countries in changing over to the 2008 SNA and at the same time adopting the International Standard Industrial Classification of All Economic Activities, Rev. 4 and the Central Product Classification, Version 2;

[1] E/CN.3/2011/6.

[2] United Nations publication, Sales No. E.08.XVII.29.

(h) Noted the experiences of Member States and their difficulties in implementing the 2008 SNA, and recognized the need for capacity-building through technical assistance and training;

(i) Noted the importance of timely completion of the update to the *Government Finance Statistics Manual 2001* to enable alignment of government finance statistics with the 2008 SNA;

(j) Requested the establishment of a dedicated knowledge base of training material for implementation of the 2008 SNA, covering the source data and implementation procedure;

(k) Reaffirmed the three-stage approach for the changeover to the 2008 SNA, but expressed the need for flexibility in the time horizon for implementation of the 2008 SNA by Member States, taking into account their needs at different stages of development;

(l) Urged the Friends of the Chair Group on the barriers to the implementation of the 1993 SNA to complete its work as soon as possible, taking into account the implementation programme of the Working Group for the 2008 SNA and the impediments faced by Member States in the transition to the 2008 SNA;

(m) Expressed appreciation for the activities of international and regional organizations to facilitate implementation of the 2008 SNA, especially the regional implementation strategies, and urged those institutions and other donors to devote greater resources for that purpose, including the appointment of experts/advisers on national accounts;

(n) Stressed the importance for Member States to establish their national implementation programmes for the 2008 SNA and supporting statistics in line with regional and global implementation programmes;

(o) Took note of the various reporting formats for national accounts data used by international and regional organizations, and requested the Working Group to look into the matter with a view to proposing a standardized reporting format and to report back to the Commission.

2. Section II of the present report provides an overview on the programme of work of the Working Group and the Advisory Expert Group on National Accounts. Section III contains a report on the changeover to the 2008 SNA concepts and recommendations. Section IV affords a discussion on guidance concerning implementation issues. Information on the development of quarterly sectoral accounts and balance sheets is presented in section V. Future plans for the SNA research agenda and other related issues in the broader remit of national accounts are discussed in section VI. An overview of the activities of the members of the Working Group and the regional commissions is presented in section VII. Section VIII contains a report on the status of the reporting of national accounts data according to the 1993 SNA. Points for discussion are contained in section IX.

II. Programme of work of the Intersecretariat Working Group on National Accounts and the Advisory Expert Group on National Accounts

3. Following the completion of the 2008 SNA, it almost goes without saying that, for the near future at least, the single most important priority for the Working Group is related to the worldwide implementation of the 2008 SNA. However, other important policy-driven issues, such as the measurement of well-being and efforts to mitigate data gaps revealed by the recent economic and financial crises also warrant continued attention.

4. It may be recalled that the implementation programme for the 2008 SNA and supporting statistics represents a global statistical initiative, mandated by the Commission, with the dual objective of assisting countries in developing their statistical and institutional capacity to: (a) make the conceptual change over from the 1968 SNA or 1993 SNA to the 2008 SNA; and (b) improve the scope, detail and quality of national accounts and supporting economic statistics. The efficiency and the sustainability of the implementation of the 2008 SNA rest on the agreed principles of the implementation strategy, namely: (a) strategic planning; (b) coordination, monitoring and reporting; and (c) improving statistical systems.[3]

5. In order to prevent a protracted period of changing over to the 2008 SNA, as was the case with the 1993 SNA, the implementation programme for the 2008 SNA and supporting statistics is aimed at establishing a strategic partnership between countries, regional organizations, regional commissions and the Working Group.

6. The Commission has encouraged countries to develop a national implementation programme for the 2008 SNA and supporting statistics within the framework of national strategies for the development of statistics, when appropriate. This programme management approach requires assessing the current capacity of all aspects of the statistical production process to produce national accounts and supporting statistics that engages all relevant stakeholders.

7. For monitoring progress in implementation of the 2008 SNA, the Commission at its forty-second session supported the following:

(a) The milestone measures and revised minimum required data sets, as well the General Data Dissemination System and Special Data Dissemination Standard frameworks of the International Monetary Fund (IMF) for assessing the scope and detail of national accounts;

(b) A set of questions to monitor compliance with the SNA concepts at the milestone 2 level;

(c) The data quality assessment framework of IMF for assessing data quality.

It is foreseen that the development of a national quality assurance framework,[4] which is under discussion at the present session of the Commission, would also furnish useful guidance for improving the data quality of national accounts and supporting economic statistics.

[3] E/2009/24, chap. I.B, decision 40/105, item (c).

[4] See E/CN.3/2012/13.

8. For the global statistical programme on the changeover to the 2008 SNA, the Commission has identified three distinct stages (at the country and regional levels) in a multi-year programme,[5] which are applicable irrespective of the level of statistical development in the country or region concerned. Stage I involves the adoption of a strategic programme management approach to assess the statistical infrastructure and the formulation of national implementation programmes that can be consolidated within regional implementation programmes. Stage II deals with the adaptation of classification frameworks, business registers and frames, surveys, administrative data sources and information technology infrastructure at the country level. Stage III reflects the changeover to the 2008 SNA.

9. The programme of work of the Working Group and the Advisory Expert Group on National Accounts takes into account the principles of the implementation programme for the 2008 SNA and supporting statistics, with particular emphasis on the modalities of statistical capacity-building. The rest of the present section affords an overview of the main activities of the Working Group and the Advisory Expert Group on National Accounts for the period 2012-2014 according to their mandates.[6] Sections III to VII furnish a more detailed description of those activities.

A. Changing over to the concepts and recommendations of the System of National Accounts, 2008

10. A prerequisite for the implementation of the 2008 SNA is the translation of the 2008 SNA into the official United Nations languages. There is also a need to ensure that countries share experiences and best practices in implementing the 2008 SNA. In this regard, it is important that the Working Group monitor national implementation plans and progress, in particular with respect to the three stages identified by the Commission, as described above. To this end the Working Group will conduct a survey in 2012 to monitor the formulation of the implementation plans and subsequently report the findings to the Commission. In addition, to promote and support the implementation of the 2008 SNA, a number of initiatives to provide training courses, workshops and technical assistance, are foreseen over the next few years.

B. Guidance on implementation issues

11. During 2011, the Working Group focused on developing guidance on the treatment of emission permits issued under cap and trade schemes and on financial intermediation services indirectly measured in national accounts. With the experience gained by countries in preparatory stage I,[7] the need for guidance has been identified with regard to the implementation of a number of additional issues: research and development; goods for processing; measurement of pension liabilities;

[5] E/2011/24, chap. I.B, decision 42/103, item (k).

[6] Details of the mandate and governance arrangements of the Working Group and the Advisory Expert Group on National Accounts are available at: http://unstats.un.org/unsd/nationalaccount/docs/mandate.pdf.

[7] More information on the Working Party on National Accounts, which was held in Paris from 25 to 28 October 2011, is available at www.oecd.org/document/16/0,3746,en_2649_34245_48432464_1_1_1_1,00.html

and delineation and classification of statistical units such as special purpose entities, holding companies and head offices.

12. As part of their programme of work, the Working Group and the Advisory Expert Group on National Accounts are also considering a number of additional activities that relate to the implementation of the System of National Accounts more generally. These include the following:

(a) Any potential follow-up on the report of the Friends of the Chair Group on the Barriers to Implementation of the 1993 System of National Accounts,[8] chaired by the Australian Bureau of Statistics;

(b) At its forty-second session, the Commission requested that the Working Group to consider guidance on incorporating the contribution of the informal sector for an exhaustive measure of GDP, on preparation of quarterly national accounts and on the compilation of expenditure components of GDP;

(c) The development of data structure definitions for national accounts, which is a Statistical Data and Metadata Exchange initiative to ease the transmission of national accounts statistics among institutions at the national and international levels.

13. Members of the Working Group have also developed or initiated the development of a number of manuals, handbooks and guidance notes on national accounts and have made recommendations for the compilation of basic statistics.

C. Quarterly sectoral accounts and balance sheets

14. The economic and financial crises highlighted the need for more detailed and timely data. The Commission also recognized this need and endorsed the update of the minimum required data set used by the Working Group to monitor progress in implementing the 2008 SNA, which includes quarterly GDP, either by expenditure or value added, and quarterly sectoral accounts until net lending for the total economy and rest of the world. The data set also categorizes the quarterly non-financial accounts by institutional sector (until net lending) as recommended. Moreover, the Commission recommended the annual compilation of financial accounts, balance sheets and other changes in asset accounts by institutional sector, and considered their quarterly compilation desirable. As part of the Data Gaps Initiative of the Group of Twenty, endorsed by the Group of 20 ministers of finance and central bank governors, the development of sectoral accounts and balance sheets (recommendation No. 15) was identified as one of the priority activities for addressing data gaps (see sect. V).[9]

[8] See E/CN.3/2012/5.

[9] For details of the endorsement, see report prepared by the staff of the International Monetary Fund and the Financial Stability Board secretariat for the Group of 20 ministers of finance and central bank governors, available at www.imf.org/external/np/g20/pdf/053110.pdf.

D. The System of National Accounts research agenda and other related issues in the broader remit of national accounts

15. The Working Group proposed not to pursue the research agenda issues, as presented in annex IV of the 2008 SNA before 2015, unless there were strong and pressing demands for immediate action and solutions.

16. However, coordination by the members of the Working Group is needed regarding the research-related requests of the Commission. Those requests warrant reflection in the programme of work of the Working Group and the Advisory Expert Group on National Accounts. Two immediate issues of concern are the following:

(a) The Commission requested the Working Group and the Advisory Expert Group on National Accounts to consider guidance on household sector issues, including distributional issues of household income, and on issues of well-being as reflected in the findings of the Commission on the Measurement of Economic Performance and Social Progress (Stiglitz report);

(b) The activities of the Inter-Agency Group on Economic and Financial Statistics[10] on information gaps.

17. In both cases, it is important that the Working Group liaise with the key players involved in developing these issues: (a) to provide support where possible and necessary; and (b) to ensure that any related activities are carried out in a coordinated manner.

III. Changing over to the concepts and recommendations of the System of National Accounts, 2008

A. Translation of the System of National Accounts, 2008

18. One of the important prerequisites for the implementation of the 2008 SNA is its translation into the official United Nations languages. The Statistics Division of the United Nations Secretariat established partnership arrangements[11] to facilitate the completion of the translation of the 2008 SNA from English into the five other official United Nations languages (Arabic, Chinese, French, Russian and Spanish). The draft translations are posted on the website of the Working Group, hosted by the Statistics Division. The Chinese and Russian versions have already been submitted, and at the time of finalizing the present report, it was expected that the Arabic, French and Spanish versions would be submitted during the first half of 2012.

B. Monitoring the implementation of the System of National Accounts, 2008

19. To monitor the changeover to the concepts and recommendations of the 2008 SNA, an important first step is to gain a comprehensive understanding of countries'

[10] Comprising the International Monetary Fund (chair), the Bank for International Settlements, the European Central Bank, Eurostat, the Organization for Economic Cooperation and Development, the United Nations and the World Bank.

[11] E/2010/24, chap. I.B, decision 41/106, item (c).

plans. As this is a global implementation programme, several organizations are involved. Eurostat and the Organization for Economic Cooperation and Development (OECD), which circulated a questionnaire on implementation plans in November 2011, will be tracking and reporting on their constituencies, and the Statistics Division of the Secretariat, together with the regional commissions, will track and monitor the progress of emerging and developing countries. During its annual collection of national accounts data, the Statistics Division will conduct a survey in the first half of 2012 that is aimed at gathering information on plans to address the key 2008 SNA conceptual implementation issues in addition to broader questions on implementation plans and timetables.

20. As described above, it is important for the Working Group to facilitate the exchange of best practices in implementation, identify those areas where technical assistance is necessary and motivate and support the development of strategic programme management frameworks and detailed national implementation programmes (representing stage 1 of the changeover to the 2008 SNA) by countries during the course of 2012. Assessment of the implementation status of countries and their needs would form an important input to the report that the Working Group will submit to the Commission in 2013.

21. For emerging and developing countries, the Statistics Division, the respective regional commissions and those countries reached agreements on preparing national strategies during a series of workshops on 2008 SNA implementation that were held in 2010 and 2011. Those agreements were endorsed by intergovernmental bodies, such as the statistical committees of the regional commissions.[12] Countries may contact the regional commissions and the Statistics Division for assistance in preparing national strategies and implementation programmes. Based on their expressed needs, the Statistics Division, regional commissions and members of the Working Group will furnish assistance through a combination of country missions, regional workshops and peer country support.

C. Training and technical assistance

22. A number of regional initiatives to provide training courses are foreseen over the next few years and more may be needed. The Working Group has recognized that it is essential to conduct training in a coordinated way on SNA concepts and supporting economic source statistics. The role of the Working Group in this regard will be focused initially on establishing and updating on its website an international and regional calendar of training activities.

23. The Working Group will also pursue the development of standardized training materials on the 2008 SNA and supporting classifications, statistical registers and basic economic statistics, although it is recognized that such an initiative is resource-intensive and may take some time to produce. The first steps taken under this initiative included a specialized publication,[13] the development of e-learning

[12] This issue is elaborated further in paragraphs 67-73 of the present report.

[13] Eurostat, *Essential SNA: Building the basics*, 2010 ed., Eurostat Methodologies and Working Papers Series (Luxembourg: Publications Office of the European Union, 2011).

courses on national accounts, which are part of the World Bank's Virtual Statistical System[14] and the 2008 SNA training material of IMF.[15]

IV. Guidance on implementation issues

A. Current issues under discussion

1. Treatment of emission permits issued under cap and trade schemes in national accounts

24. The Working Group issued a clarification[16] on the treatment of payments for emission permits issued under cap and trade schemes in national accounts, based on the recommendations of a task force on that matter. However, the Commission at its forty-second session, in February 2011 concluded that the recommendations of the Working Group on the treatment of emission permits in national accounts, represented an issue of interpretation, not a clarification. As such, the Working Group was requested to consult the Advisory Expert Group on National Accounts.

25. The discussions among members of the Advisory Expert Group on National Accounts broadly mirrored those of the task force. However, a significant majority of Advisory Expert Group on National Accounts members agreed with the recommendation of the Working Group. Subsequently, in accordance with updated SNA procedures,[17] members of the Commission were also consulted.[18]

2. Treatment of financial intermediation services indirectly measured

26. The Working Group's Task Force on Treatment of Financial Intermediation Services Indirectly Measured (FISIM) met twice during 2011 to discuss how the composition of the services that FISIM covers, particularly risk management and liquidity transformation, affects the selection of the reference rate and the price and volume breakdown of FISIM. The Task Force provisionally concluded that:

(a) FISIM should be calculated according to at least two groups of currencies (national and foreign). International coordination is also needed to better estimate the import of FISIM through counterparty data;

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[14] A freely available online resource for national statistical offices, other data-producing agencies and data users, the system furnishes in-depth information on how effective statistical systems/organizations operate and the essential knowledge prerequisites for official statisticians working in such organizations. In addition to a knowledge base, the system contains a library of e-learning courses on selected topics, including on national accounts. It may be accessed at https://www.virtualstatisticalsystem.org.

[15] IMF has long experience in conducting training courses on national accounts statistics, ranging from a six-week 2008 SNA course offered periodically at the IMF Institute in Washington, D.C. to two-week courses on basic national accounts and on quarterly GDP through its regional training centres. The most recent offering was a course for users of macroeconomic statistics presented for the first time at the IMF-Singapore Regional Training Institute, one of a group of regional training facilities associated with the IMF Institute.

[16] Published in *SNA News and Notes*, Issue 30/31

[17] E/1999/30, chap. I.B, decision 30/101, para. 4, and chap. II.A, para. 18 (a); E/2011/24, chap. I.B, decision 42/103, item (d). The SNA update procedures are available at http://unstats.un.org/unsd/nationalaccount/uProc.asp.

[18] The outcome of the consultation was published in *SNA News and Notes*, Issue 32/33.

(b) As term premiums should be included in FISIM, a single reference rate should be used. Testing would be conducted on the various methods for calculating the reference rate;

(c) Credit default risk should be excluded from FISIM;

(d) The advantage of the quantity approach to calculating volume measures of FISIM was acknowledged, but it was concluded that that approach is data-intensive and that it is difficult to determine relevant weights for indicators. The Task Force preferred the deflation method and in particular the price index approach rather than the unit value index approach.

27. The Task Force agreed to test a number of options as a means of establishing, at least in a practical sense, the merits of the various options discussed by the Task Force, which include tests involving the following:

(a) Single reference rate using interbank lending rates;

(b) Matching reference rates using different rates for short-term and long-term deposits and loans;

(c) Average reference rate (weighted by stocks of short-term and long-term loans and deposits) calculated using different rates for the short-term and long-term reference rates;

(d) Reference rate calculated using the midpoint of interest rates on deposits and interest rates on loans.

28. It is expected that the assessment of these tests would be available by July 2012 for discussion by the Task Force. Based on comments received on each of these issues it will be decided whether an additional physical meeting would be needed. The final report of the Task Force will be compiled after the testing on reference rates and credit default risk has been completed. A timeline for completing the report will be addressed once members participating in the testing are able to properly evaluate the time needed for these tasks.

B. New issues for discussion

29. The concepts and definitions of the 2008 SNA have been updated from its predecessor, the 1993 SNA, in some important respects. The most notable are the treatment of research and development and military weapon systems as gross fixed capital formation, goods for processing and the recording of pension liabilities. To arrive at internationally comparable data, issues in relation to the measurement of these items need to be addressed.

30. The introduction of the capitalization of research and development depends on the satisfactory resolution of some practical implementation issues to reach an appropriate level of confidence in the estimates. A European task force is currently investigating this issue, and a final report is expected at the end of 2012 or early 2013. Eurostat will communicate the results from the task force to the Working Group for discussion by the Advisory Expert Group on National Accounts.

31. In relation to goods for processing, or globalization issues more generally, there have been several initiatives. First, the Economic Commission for Europe/OECD/Eurostat Group of Experts on the Impact of Globalization on

National Accounts has completed the guide entitled *Impact of Globalization on National Accounts*. As a follow-up to that work, the Bureau of the Conference of European Statisticians initiated an in-depth review of global manufacturing (global production). In addition, a European task force is also addressing measurement issues of goods for processing, taking into account specific data sources and procedures in Europe. The results of these initiatives will be discussed by the Advisory Expert Group on National Accounts in 2013.

32. Regarding the measurement of pension liabilities, a European Central Bank/Eurostat task force, including representatives of IMF and OECD, has met six times to look at measurement issues related to assets and liabilities of pension schemes in general government.[19]

33. The need for further clarification of a number of issues was also expressed in the review of the draft handbooks that will be entitled "The 2008 SNA — compilation in brief" and "Financial production, flows and stock" and the workshop on the implementation of the 2008 SNA, which was organized by OECD in Paris from 25 to 27 October 2011. At the workshop questions were raised in relation to the delineation and classification of special purpose entities, holding companies and head offices, the measurement of pension liabilities, the recording and measurement of land and natural resources, the measurement of (service life of) military expenditures and the definition of catastrophes in the measurement of non-life insurance. Two issues were raised in the review of the draft handbooks. The first was a clarification to exclude holding gains and losses in the estimates for premium supplements and changes in technical reserves when calculating the output for life and non-life insurance. The second concerned the inclusion of imputed estimates for investment income in the estimates for contribution supplements of defined-benefit pension plans.

34. Issue papers on these topics will be used as the basis for discussion and follow-up by the Working Group and the Advisory Expert Group on National Accounts. In considering the positive feedback on the OECD workshop, the Working Group encouraged OECD and other regional expert groups on national accounts, to discuss on an annual basis practical issues for the implementation of the 2008 SNA.

35. Some other issues related to the implementation of the SNA more generally also need the attention of the Working Group and the Advisory Expert Group on National Accounts. These include possible follow-up to the report of the Friends of the Chair Group which will be considered at the 2012 meeting of the Advisory Expert Group on National Accounts in the light of recommendations of the Commission. Second, the Commission requested the Working Group to consider the informal sector, quarterly national accounts and expenditure components of GDP, as described above.

36. To address the issue regarding the exhaustiveness of national accounts estimates, OECD initiated an update of the work on the non-observed economy by the Economic Commission for Europe (UNECE) and Eurostat. Results on this

[19] The report of the task force, which was finalized in 2008, may be accessed at www.cmfb.org/pdf/TF%20on%20Pensions%20-%20Final%20report.pdf. The report will be discussed by the Advisory Expert Group on National Accounts so that it can have a remit that extends globally.

initiative are expected to be finalized in the second quarter of 2012. There are currently also country programmes under the auspices of the United Nations Development Account, on the measurement of the informal sector in Africa, Asia and Latin America. It is expected that practical guidance for the measurement of exhaustive national accounts could be developed based on the results of those projects.

37. In relation to the compilation of expenditure components of GDP, this activity could benefit from developments that arise from the work on the non-observed economy but the main driver for implementation will need to be workshops organized in those regions where the issue is of significant importance. Related developments, including the work of the International Comparison Programme on supply and use tables, could be used for this purpose.

38. Another consideration concerns the Statistical Data and Metadata Exchange initiative. It has been agreed by the sponsors of that initiative that a steering group consisting of the European Central Bank, Eurostat and OECD will develop the necessary data structure definitions for the future exchange of national accounts data in coordination with the Working Group. The steering group is expected to finalize the data structure definitions by the end of 2012, so that they could be implemented in the course of 2014. The steering group will report its progress to the Working Group and the Advisory Expert Group on National Accounts to ensure global input in the development of the data structure definitions for national accounts.

C. Compilation of manuals and handbooks

39. To strengthen countries' statistical capacity for compiling national accounts in accordance with the implementation programme for the 2008 SNA and supporting statistics, members of the Working Group have developed or have initiated the development of a number of manuals, handbooks and guidance notes for national accounts, and recommendations for the compilation of basic statistics. These are listed below in three categories, namely completed publications, publications in progress and planned publications.

(a) Completed publications:

(i) *Handbook on Deriving Capital Measures of Intellectual Property Products* (OECD);

(ii) *Measuring Capital: OECD Manual: 2nd edition* (OECD);

(iii) *Essential SNA: Building the Basics* (Eurostat);

(b) Publications in progress:

(i) *Handbook on Financial Production, Flows and Stocks in the System of National Accounts* (United Nations/European Central Bank);

(ii) *2008 SNA — Concepts in Brief* (World Bank);

(iii) *Impact of Globalization on National Accounts* (ECE/OECD/Eurostat);

(iv) *Guidelines on Integrated Economic Statistics* (draft) (United Nations Statistics Division);

(v) *Glossary of Rapid Estimates* (draft) (Eurostat);

(vi) *Handbook of Rapid Estimates* (draft) (Eurostat/United Nations);

(vii) *Handbook on Constructing Composite Indicators: Methodology and User Guide* (OECD/European Commission);

(viii) *Handbook on Tendency Surveys* (United Nations/Eurostat);

(ix) *System of National Accounts, 2008* (Chinese-language draft already on website of the Working Group);

(x) *System of National Accounts, 2008* (Russian-language draft already on website of the Working Group);

(xi) *Methodological Guide for Developing Producer Price Indices for Services* (revision) (OECD/Eurostat);

(c) Planned publications:

(i) *Handbook on input-output compilation* (United Nations);

(ii) *Handbook on statistical registers* (ECE);

(iii) *Guide on global production* (ECE);

(iv) *Government Finance Statistics Manual 2001* (update) (IMF);

(v) *Monetary and Financial Statistics Manual and Compilation Guide* (revision) (IMF);

(vi) *Handbook on quarterly national accounts* (Eurostat);

(vii) *System of National Accounts, 2008* (French-language version);

(viii) *System of National Accounts, 2008* (Spanish-language version);

(ix) *System of National Accounts, 2008* (Arabic-language version).

40. The Working Group recognized the importance of coordinating such ongoing and future efforts. To support this objective, it agreed to establish procedures for the development of manuals, handbooks and guidance notes on national accounts. As part of these procedures, issues papers on the plans for the compilation of guides, handbooks and guidance notes will be prepared by the lead organization as the basis for coordination by the Working Group in consultation with the Advisory Expert Group on National Accounts.

V. Quarterly sectoral accounts and balance sheets

41. In November 2009 the G-20 ministers of finance and central bank governors endorsed 20 recommendations to address data gaps described in a report on the financial crisis and information gaps,[20] which was prepared by IMF staff and the Financial Stability Board Secretariat. Recommendation 15 calls for developing "a strategy to promote the compilation and dissemination of the balance sheet approach (BSA), flow of funds, and sectoral data more generally, starting with the G-20 economies".

[20] Available at www.imf.org/external/np/g20/pdf/102909.pdf.

42. An IMF-OECD conference of sectoral accounts experts was conducted in Washington, D.C., from 28 February to 2 March 2011;[21] it agreed on the basic outline of a reporting template for sectoral national accounts and balance sheets and the time frames and priorities for implementation. The template will serve as a basis for a minimum and encouraged set of internationally comparable sectoral accounts. The template guidance comprises four building blocks: (a) minimum and encouraged sector and subsector breakdowns; (b) transaction breakdowns of the current and capital accounts; (c) financial instrument classification (including debt on remaining maturity and currency composition); and (d) classification of non-financial assets.

43. The Working Group on Sectoral Accounts,[22] under the auspices of the Inter-Agency Group on Economic and Financial Statistics, leads and takes forward the implementation of work on sectoral accounts. Its meeting in September 2011 discussed and agreed on the way forward for the implementation of the work on sectoral accounts, balance sheets and flow of funds, including international collaboration and allocation of responsibilities, timetables and delivery of tangible results. Common principles and specifications were discussed at that meeting with regard to designing the data-reporting template. It was agreed that the template would be circulated to countries as soon as possible in 2012, with a view to facilitating the 2008 SNA implementation process. On behalf of that Working Group, a presentation was made at the joint session of the OECD Working Party on Financial Statistics and the Working Party on National Accounts in Paris in October 2011, describing overall progress and plans for implementing the sectoral accounts and balance sheets, as well as strategies for promoting the flow of funds on a from-whom-to-whom basis.[23]

44. The development of sectoral accounts, balance sheets and flow of funds within the framework of the 2008 SNA also furnishes an overarching framework for data on balance of payments and international investment positions, securities statistics, government finance statistics and monetary statistics. The reporting templates on all these data sets are also being harmonized with the template on sectoral accounts, which will ensure data consistency across economic sectors and statistical domains. The development of a complete set of sectoral and flow of funds accounts will help countries, markets and international institutions better understand financial connections within each national economy and with the rest of the world, real and financial linkages and the role played by non-bank financial institutions in the financial sector and in the economy.

45. There is agreement among the G-20 countries to compile sectoral accounts and sectoral financial positions and flows with quarterly frequency and with timeliness of one quarter. As far as possible the agreed work on sectoral accounts will be integrated with the implementation in many economies of the 2008 SNA by 2014. The member agencies of the Inter-Agency Group on Economic and Financial Statistics plan to disseminate already available sectoral accounts statistics through

[21] The papers presented at the conference and the summary report are available at www.imf.org/external/np/seminars/eng/2011/sta/index.htm.

[22] Comprising IMF (Chair), the Bank for International Settlements, the European Central Bank, Eurostat, OECD and the United Nations.

[23] Further details are available at www.oecd.org/document/23/0,3746,en_2649_34245_48475991_1_1_1_1,00.html.

the Principal Global Indicators website, using existing data-collection systems in place at the European Central Bank, Eurostat and OECD.

46. As part of recommendation 18 of the G-20 Data Gaps Initiative, IMF, OECD and the World Bank have reached an agreement to collaborate on enhancing the availability of government debt data and, more broadly, public sector debt data. The main purpose is to facilitate timely dissemination of general government, central government and public sector debt data and metadata to support macroeconomic analysis and cross-country comparisons.

47. The quarterly national accounts handbook being prepared by Eurostat, and the IMF quarterly national accounts handbook should provide ample guidance to assist countries in the compilation of quarterly GDP data. A range of different best practices for compiling quarterly national accounts will be developed and elaborated in more detail, using these handbooks as a reference. Nonetheless, workshops should be scheduled by the members of the Intersecretariat Working Group on National Accounts for capacity-building purposes.

48. In this context, the handbooks also being prepared under the programme of work on short-term economic statistics, which is the outcome of the Statistics Division/Eurostat-moderated initiative in response to the economic and financial crises,[24] should be of direct assistance to countries and meet their request for guidance on a broader set of short-term economic statistics and indicators.

VI. The System of National Accounts research agenda and other related issues in the broader remit of national accounts

49. In its report to the forty-second session of the Commission, the Working Group reported on the procedures for addressing issues on the SNA research agenda, as reflected in annex 4 of the 2008 SNA. However, in taking into consideration the importance of supporting countries to enable them to make the changeover to the 2008 SNA, the Working Group proposed not to pursue these research issues before 2015, unless there are strong and pressing demands for immediate action and solutions.

50. The Working Group does not discourage countries or institutions from conducting preparatory work or presenting issues for discussion at meetings related to national accounts. However, it intends to prioritize the issues on the research agenda as a means for developing a future plan of action. As a first step, the research agenda will be discussed at the next meeting of the Advisory Expert Group on National Accounts, taking into account discussions at such forums as the 2009 meeting of the Working Party on National Accounts of OECD. The outcome of the Advisory Expert Group on National Accounts discussion on the priorities for the SNA research agenda could be discussed further at meetings of that Working Party on National Accounts and of other expert groups on regional national accounts or economic statistics. In doing so, additional items may emerge.

51. To address the research topics, issues papers will be prepared as the basis for discussion and follow-up by the Working Group and the Advisory Expert Group on National Accounts. Such issues papers could be prepared by the Working Group or

[24] E/2011/24, chap. I.B, decision 42/107.

Advisory Expert Group on National Accounts members, or other experts on national accounts. For this purpose, the Working Group intends to develop more practical guidance on the mechanisms for resolving research issues, taking into account the updated procedures for the System of National Accounts established by the Commission.

52. Finally, there are some research issues not related to the implementation of the core national accounts, whether in the context of implementation issues or pressing research issues that also merit some priority in the programme of work of the Working Group and Advisory Expert Group on National Accounts. For this purpose, the Working Group would need to ensure that some capacity exists to tackle such issues as the need arises. Two such issues currently concern the following:

(a) Measuring well-being in particular household sector issues such as distributional measures of household income, as identified in the Stiglitz report;

(b) The activities of the Inter-Agency Group on Economic and Financial Statistics.

53. In relation to the first issue, several initiatives have been developed on how progress could be measured, going beyond such traditional indicators as economic growth. In the Stiglitz report and in related work of international agencies, a distinction is made between: (a) putting more emphasis on indicators of household income and wealth, including its distribution among household groups in the core set of the national accounts; (b) the measurement of quality of life, including objective and subjective factors driving it; and (c) issues in relation to sustainability, especially those related to the environment.

54. On issues related to households, it is proposed that the Working Group, in cooperation with the Advisory Expert Group on National Accounts, develop a set of actions on the way forward, starting with the regional initiatives of OECD and the European Statistical System's Sponsorship Group on Measuring Progress, Well-being and Sustainable Development, and building on the sectoral work being coordinated by the Inter-Agency Group on Economic and Financial Statistics. It would be useful to distinguish the following three broad strands of work in relation to these developments and the overall objective: (a) recommendations on the presentation of national accounts data, focusing more prominently on households;[25] (b) recommendations on the compilation of satellite accounts for households, including more distributive information on households; and (c) defining possible issues for future research agenda.

55. The Working Group is well represented in the activities of the Inter-Agency Group on Economic and Financial Statistics. Moreover, progress on specific issues which have a direct impact on the national accounts is discussed by the Working Group.

[25] Where a number of activities are ongoing, for example the OECD-led Expert Group on Household Income Disparities.

VII. Activities of the members of the Intersecretariat Working Group on National Accounts and regional commissions

A. Activities of the members of the Intersecretariat Working Group on National Accounts

Eurostat

56. The 2008 SNA will be implemented in the European Union in the form of revision of the European System of Accounts, which is the European version of the System of National Accounts. In Europe, discussions on the new draft system are well advanced. An implementation plan with milestones has been set up for the period 2009-2014. That implementation plan has been approved by the European Statistical System Committee, which brings together Eurostat and the national statistical institutes of European Union member States. Furthermore, a comprehensive training programme on the new European System of Accounts has been developed for Eurostat and the civil servants of European Union member States working on national accounts; it will be conducted during the period 2012-2014. The implementation of the new methodology and transmission programme by those member States will commence in September 2014. Implementation will also be largely supported by preparatory work, including discussions on specific topics, and the development of guidelines in the context of working parties and expert groups of the European Union.

57. As previously mentioned, Eurostat published the handbook entitled *Essential SNA: Building the Basics*. It contains a proposed approach to the implementation of the System of National Accounts in developing countries. It consists of the gradual compilation of accounts and tables that are relevant for addressing policy issues considered to be of the highest priority. For this purpose, the main reference framework is the minimum required data set developed by the Working Group.

58. Eurostat and the Government of France co-own one of the world's most common tools for the compilation of national accounts, the ERETES system. At its forty-first session, the Commission supported the use of such tools. Eurostat is upgrading ERETES to make it fully compliant with the 2008 SNA by the end of 2012. Moreover, Eurostat offers approximately four training workshops per year for interested participants from developing countries and supports the community of ERETES users.

IMF

59. The IMF Statistics Department provides member countries with technical assistance in national accounts that is aimed at developing their capacity to compile and disseminate such statistics. To complement its technical assistance, it conducts training on national accounts methodologies and compilation practices for officials from statistical offices and other statistics-producing agencies.

60. The IMF technical assistance projects in national accounts are undertaken mostly through short-term missions conducted by IMF staff and externally recruited experts. Such missions are part of comprehensive medium-term technical assistance projects that are designed as project frameworks with overall objectives, specific outcomes, outputs and implementation dates. The missions are implemented from

IMF headquarters in Washington, D.C., or from IMF regional technical assistance centres. Plans are for IMF to have undertaken some 240 technical assistance missions in real sector statistics (national accounts and price statistics) in more than 100 member countries during the financial year ending April 2012. The Fund has placed seven long-term resident national accounts advisers in those centres; in early 2012, three more such advisers will be added to cover seven countries in Eastern Europe.

61. During the 2011 financial year, IMF will have furnished technical assistance in national accounts and price statistics to 40 member countries through some 70 short-term missions. In addition, it provided assistance through eight centres — four in Africa and one each in the Middle Eastern, Central American, Caribbean and Pacific areas. Approximately 170 technical assistance missions in national accounts and prices were undertaken in member countries in the 2011 financial year.

62. IMF also manages technical assistance projects on national accounts through topical trust funds established with financial support from donors. Currently, it undertakes three major programmes in national accounts financed by such trust funds: (a) funded by the Government of Japan, a three-year (2011-2014) technical assistance project for 12 Asian and Pacific countries is aimed at implementation of the System of National Accounts and the International Comparison Programme; (b) a five-year (2010-2015) Enhanced Data Dissemination Initiative for Anglophone Africa, funded by the United Kingdom Department for International Development, supports the compilation of quarterly and annual national accounts in selected African countries; and (c) funded by the Government of Japan, a three-year (2012-2015) technical assistance project builds the capacity of nine Eastern European countries to compile and disseminate real sector statistics. During the 2012 financial year, IMF will start the implementation of a statistics module under another five-year multi-donor technical assistance project for managing natural resource wealth; it is aimed at improving the recording of natural resources in national accounts statistics.

63. Training on national accounts is conducted at the IMF Institute in Washington, D.C., through the Fund's regional training centres, technical assistance centres and ad hoc training workshops organized with support from the topical trust funds. IMF also collaborates with other international and regional organizations in the delivery of training courses. Currently, it conducts training on the 2008 SNA, sectoral accounts and balance sheets, the compilation of quarterly national accounts, as well as linkages to macroeconomic accounts. During the 2011 financial year, IMF has organized 4 regional courses on the 2008 SNA in Africa, China and the Caribbean and the Middle Eastern areas, 1 training course in sectoral accounts and balance sheets in Asia and 24 training workshops on national accounts and price statistics compilation issues at the total economy and sectoral levels.

Organization for Economic Cooperation and Development

64. OECD organized a workshop on implementation of the 2008 SNA; it was held in Paris in October 2011. At that workshop, the need for further clarification on a number of issues was expressed as previously described. The workshop also strongly supported the suggestion for the creation of a task force on the measurement of land and dwellings to develop best practices and a handbook. Following a discussion on research and development, the workshop also called on

OECD to collect national information on the methods used by countries to construct depreciation estimates (depreciation rates and service life) for all assets. Furthermore, OECD has started two surveys among its constituency: one on the non-observed economy and the other on the measurement of land. The results of the questionnaires for both surveys will become available in the first half of 2012. OECD plans to include implementation issues as a key item in its future meetings of the Working Party on Financial Statistics and the Working Party on National Accounts, possibly as a dedicated workshop.

65. As part of its ongoing cooperation with the National Bureau of Statistics of China, OECD is involved in a two-year project to develop supply and use tables. As part of its Enhanced Engagement programmes, OECD is incorporating national accounts data into its core database and providing assistance where data and metadata issues arise. OECD is also actively involved in the International Comparison Programme, which is described in more detail under the activities of the World Bank.

66. OECD in cooperation with Eurostat is also leading an expert group on the measurement of income disparities in national accounts.

United Nations Statistics Division

67. The Statistics Division in collaboration with the regional commissions and other regional partners conducted three seminars in 2011 to facilitate the implementation programme for the 2008 SNA in line with the global implementation programme adopted by the Commission. Those seminar series took place in the African region (April), the Asian and Pacific region (October) and the Eastern European, Caucasus, Central Asian and South-eastern European regions (November), following seminars held in the Western Asian region, the Caribbean area, and the Latin American area (in collaboration with IMF) in 2010.

68. As a follow-up to the seminar series, the Statistics Division also supported the regional commissions during 2011 by supplying technical assistance to the regional national accounts expert groups of the Western Asian and the Latin American and Caribbean regions.

69. The Statistics Division has also developed a number of tools, with a view to helping countries establish and develop stages I and II of the implementation process described above. The first of these is a statistical system information fact sheet that brings together a variety of source information at the national and international levels on national statistics systems.

70. The Statistics Division developed the Diagnostic Framework for National Accounts and Supporting Economic Statistics and an outline for recording the status of national accounts and supporting economic statistics in order to help countries carry out self-assessment of their national statistical systems for the purpose of evaluating the adequacy of the national statistical production process to support the compilation of national accounts. The diagnostic framework uses taxonomies based on the Conference of European Statisticians classification of international statistical activities. The outline for recording the status of national accounts and supporting economic statistics maps international standards and good practices for each of the components of the diagnostic framework.

71. As mentioned in section III, the Statistics Division will include in its annual collection of national accounts data a survey in the first half of 2012 that is aimed at gathering information on plans to address the key 2008 SNA conceptual implementation issues in addition to broader questions on implementation plans and timetables for economic statistics. It will also follow up on expected recommendations of the Friends of the Chair Group on the Barriers to the Implementation of the 1993 System of National Accounts.

72. During the past year the first draft of the handbook that will be entitled "Financial production flows and stocks in the SNA", was circulated for comment; it was prepared jointly by the Statistics Division and the European Central Bank. The second draft, incorporating those comments, will be circulated for further comment in March 2012 and subsequently discussed at an expert group meeting. The handbook is aimed at providing guidance on compilation issues of the corporate financial sector and its links to the other institutional sectors. It is expected that the handbook will be published at the end of 2012.

73. During 2012 the Statistics Division will consult with users in order to develop a handbook on the compilation of input-output tables. It is expected that the handbook will be prepared during the period 2012-2013. In addition, as part of the United Nations/Eurostat programme on short-term economic indicators, the Statistics Division will develop a website on the data template for short-term economic statistics and contribute to the handbooks on rapid estimates, composite indicators and tendency surveys, the drafting of which is led by other agencies and countries. The handbooks are expected to be completed during the period 2012-2013.

World Bank

74. The World Bank continues to support the implementation of the 2008 SNA through activities related to its regular programme of work for improving statistical capacity, particularly in developing countries, and work related to the International Comparison Programme.

75. The ICP Global Office furnishes support to regional coordinating agencies and provides technical assistance for activities related to national accounts. Although the 2011 round of the International Comparison Programme is based on the 1993 SNA, technical assistance for helping countries to improve their national accounts so that they will be able to conform to international standards and improve estimates of household consumption (with breakdown) will contribute towards implementing the 2008 SNA. In addition, work will also include guidance on price issues in such areas as owner-occupied housing; the measurement of government outputs, education and health; the measurement of financial services; construction and civil engineering; and machinery and equipment.

76. The World Bank is continuing to work with other key donors on scaling up its support for developing countries. Financing mechanisms available through the World Bank include the Trust Fund for Statistical Capacity Building, the Statistics for Results Facility Catalytic Fund and the STATCAP lending programme. Although the World Bank support mechanisms available to countries for improving their statistical systems are broad-based, these facilities could also be used to address country-specific needs aimed at implementation of the 2008 SNA.

77. Two handbooks complementing the 2008 SNA and aimed specifically at supporting national accountants in small developing countries are under preparation: one will be entitled "2008 SNA: concepts in brief" and the other, an accompanying implementation guide, "2008 SNA: compilation in brief". These handbooks are expected to be finalized in early 2012.

78. The World Bank has also developed e-learning courses on national accounts, including lessons on GDP calculation, supply and use tables, data sources, exhaustiveness and estimates beyond GDP, such as institutional sector accounts. These courses, which are part of a library of e-learning courses on selected topics, are available on the Web through the Virtual Statistical System and are free of charge to all interested parties.

B. Activities of the regional commissions

79. Under the auspices of the relevant regional advisory groups on national accounts and economic statistics, considerable progress has been made in developing programmes for the implementation of the 2008 SNA and supporting economic statistics in the respective regions covered by the regional commissions. These regional programmes are well aligned with the global programme aimed at developing the capacity of countries to produce economic statistics of appropriate quality and coverage required for compilation of national accounts and for economic analyses and decision-making.

80. In accordance with the principles of the global initiative, the regional commissions have initiated assessments of the national statistical systems of countries in their regions in order to evaluate the adequacy of the national statistical production process supporting the compilation of national accounts. These assessments are carried out either by the countries themselves, using the self-assessment questionnaire developed by the Statistics Division, or through country missions as in the case of the Economic and Social Commission for Asia and the Pacific and UNECE. Based on these assessments, countries can set implementation goals and develop a programme for improving the availability and quality of the basic economic statistics required for the compilation of national accounts according to the 2008 SNA recommendations.

81. The regional commissions, in collaboration with the Statistics Division, will monitor the progress on implementation of the 2008 SNA and supporting statistics according to the agreed timelines and set of actions to accomplish statistical and institutional goals for the sustainable improvement of economic statistics programmes, while ensuring adherence to best practices in official statistics.

VIII. Reporting of national accounts data

82. In accordance with a request from the Commission, the Statistics Division regularly evaluates the availability and scope of the official national accounts data reported by Member States and their conceptual compliance with the recommendations of the System of National Accounts.

83. An assessment of this kind, according to the recommendations of the 1993 SNA and based on replies to the United Nations National Accounts Questionnaire

for the last five reporting periods, from 2006 to 2010, is afforded in the present section. The data may be reported directly to the Statistics Division or through ECE, OECD or the Caribbean Community Secretariat.

84. In taking into consideration at least one submission over the last five reporting periods, from 2006 to 2010, 94 per cent of Member States (181 in total) reported national accounts data to the Statistics Division, that is, all developed countries and 93 per cent of developing countries. On a regional level, 97 per cent of Asian and Latin American and Caribbean countries reported national accounts data. In Africa and Oceania, the reporting of national accounts data was somewhat lower at 89 per cent and 83 per cent, respectively.

85. An analysis of the national accounts data shows that 78 per cent of Member States implemented the 1993 SNA at the time of the 2010 United Nations National Accounts Questionnaire reporting period. Nearly all developed countries and those with economies in transition reported national accounts data according to the 1993 SNA methodology. Additionally, 70 per cent of developing countries reported national accounts data to the Statistics Division following the 1993 SNA. Specifically, 64 per cent African countries, 70 per cent of Latin American and Caribbean countries, 74 per cent of Asian countries and 83 per cent of countries in Oceania have implemented the 1993 SNA. The rate of implementation shows that the least developed countries and small island developing States have made significant progress, with 63 per cent and 57 per cent of those countries, respectively, having implemented the 1993 SNA.

86. The scope of national accounts data reported to the Statistics Division is evaluated against the standard minimum required data set and the milestone measures. The majority (59 per cent) of countries provided 6 or more tables of such data and 44 per cent provided 7 such tables, which means that 44 per cent of countries have reported GDP by expenditure and industry, at current and constant prices; output, value added and gross capital formation by industry; relations among product, income, savings and net lending/borrowing; and at least parts of the integrated economic accounts for the total economy and the rest of the world. The lowest coverage was for least developed countries and small island developing States; only 12 per cent of least developed countries and 18 per cent of small island developing States provided 7 tables of the minimum required data.

87. Milestone 2 was observed by the great majority of developed countries, economies in transition and developing countries in Asia. Caribbean and Latin American countries and African countries actually improved in meeting milestone 2, from 76 per cent and 45 per cent, respectively, in the previous review period (2005-2009) to 79 per cent and 53 per cent in the current review period. Milestone 1 is attained when GDP by expenditures in current or constant prices and gross national income are provided; milestone 2 is attained when at least value added by industry, GDP by expenditures in current or constant prices and gross national income are provided.

IX. Points for discussion

88. The Commission may wish to:

(a) **Provide guidance on the changeover to the 2008 SNA concepts and recommendations;**

(b) **Express support for and provide guidance on the development of compilation guidance on concepts and recommendations of the 2008 SNA;**

(c) **Express its views on the development of quarterly sectoral accounts and balance sheets;**

(d) **Express support for and provide guidance on the SNA research agenda and other related issues in the broader remit of the national accounts;**

(e) **Express its views on the activities of the Intersecretariat Working Group on National Accounts and regional commissions;**

(f) **Express its views on the reporting of national accounts data.**

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Report of the Friends of the Chair on the barriers to the implementation of the System of National Accounts 1993

Note by the Secretary-General

In accordance with a request of the Statistical Commission at its forty-second session (see E/2011/24, chap. I.A), the Secretary-General has the honour to transmit herewith the report of the Friends of the Chair on the barriers to the implementation of the *System of National Accounts 1993*. The Commission is requested to express its views on the points for discussion set out in section IX of the report.

* E/CN.3/2012/1.

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Report of the Friends of the Chair on the barriers to the implementation of the *System of National Accounts 1993*

I. Background/context

1. At its forty-first session, the Statistical Commission accepted the suggestion of the Australian delegation to set up a friends of the chair group to assist the Commission in identifying the causes of the slow and limited adoption of the *System of National Accounts 1993* (1993 SNA),[1] as well as make suggestions on the way forward, given that the 1993 SNA had been updated to the 2008 SNA.

2. A number of countries have made notable progress in implementing national accounts in the last 10 years. In 2009 the Intersecretariat Working Group on National Accounts reported that 84 per cent of Member States were able to report at least some national accounts data. However, differences in methodologies and gaps in data sources may lead to variability in the quality of data and a lack of comparability. There are still many countries that do not comply with the 1993 SNA.

3. In 2007 analysis of national accounts data by the Statistics Division showed that 63 per cent of Member States had implemented the 1993 SNA. Furthermore, the majority of developed countries and economies in the Commonwealth of Independent States had reported national accounts data according to the 1993 SNA methodology. Despite such progress, the 2009 report of the Working Group stated that 40 per cent of member countries and only 10 per cent of small island developing States and least developed countries had been able to report the minimum required data set, which is used to determine whether countries have implemented the 1993 SNA. This situation highlights the slow progress in implementation of the SNA standard, particularly among developing countries, and demonstrates the need to address adequately the barriers hindering the implementation process. With various stages of progress in developing national accounts there is cause for concern about data quality and, as a result, the lack of international comparability.

4. Following the adoption of the 2008 SNA as the international standard for compilation and dissemination of national accounts, the implementation programme proposed by the Working Group gained support from the Commission at its fortieth session in February 2009. The main objective of the 2008 SNA implementation strategy is to assist countries in developing the statistical and institutional capacity to improve the scope, detail and quality of their national accounts and supporting economic statistics.

5. However, with many countries having yet to implement a full set of national accounts and/or upgrade their accounts to the 1993 SNA, the changeover to the 2008 SNA is regarded as premature and problematic. For such countries the primary challenge is to develop and strengthen their national accounts; the specific move to the 2008 standard needs to be undertaken within that context.

[1] United Nations publication, Sales No. E.94.XVII.4.

6. In the light of these concerns, the Friends of the Chair group was formed to identify and suggest solutions to the barriers to implementation of national accounts and reflect on the 2008 SNA implementation programme.

7. The following analysis incorporates the outcomes of the Friends of the Chair group meeting in February 2011 and the analysis of responses to a survey of the experiences of members of that group conducted by the Australian Bureau of Statistics. The present document analyses the barriers to implementation of the System of National Accounts, identifies areas for improvement in the implementation process and affords a reflection on the current implementation programme for the 2008 SNA. A set of recommendations has been proposed as a result of the analysis. Those recommendations seek to promote progress in implementation of the System of National Accounts. The main value added from this exercise was to shed light on some of the underlying reasons for the frequently articulated concern: "not enough resources and capability".

II. Analysis

8. The two most prominent barriers impeding the implementation of the System of National Accounts, as indicated by members of the Friends of the Chair group, are:

(a) Lack of political support;

(b) Availability of basic data sources.

III. Political support

9. The level of political support is partly reflected in the level of capability of national statistical offices to develop and maintain a set of national accounts. Those offices need effective political support if they are to secure resources to overcome such obstacles as lack of staff and make necessary improvements in data sources.

A. "SNA ready"

10. Countries in the process of developing national accounts need to be "SNA ready", which means that key players and stakeholders in a national statistical system need to understand and agree on the value of the statistics derived from national accounts and be genuinely committed to their development. The most significant challenge hindering the implementation of the System of National Accounts in many countries is the lack of commitment from their Governments to invest in the resources required.

11. Attendees at the Friends of the Chair group meeting agreed that a major barrier to implementation of the System of National Accounts in a number of countries is the lack of conviction at senior levels of government about the value of those statistics. The questionnaire sent to members of the Friends of the Chair group was aimed at seeking the assessment of heads of statistical agencies regarding the value placed on the System of National Accounts by their Governments. The responses indicated that Governments understand the importance of developing national

accounts and the need for such statistics as gross domestic product (GDP) for economic analysis and for fostering high-quality economic policy. Nevertheless, this understanding does not mean that national accounts enjoy sufficient priority in the national funding allocations to secure the resources required for their development.

12. Friends of the Chair group members indicated that perceptions of accuracy, timeliness and frequency of compilation of national accounts affected their Governments' views of the value of such statistics as a source of information for economic policy. National statistical offices noted that in times of economic and financial difficulty, such as the recent global financial crisis, timeliness and frequency of data are important for early warning of vulnerability and exposure to global economic shocks. However, statistical offices tended to place higher value, and hence priority, on the reliability and internal coherence of their SNA data, often ahead of improving frequency or timeliness. National statistical offices believed that large revisions to data or inconsistencies in published results undermine the confidence of Governments in their statistical agencies and lead to unwillingness to spend more money to strengthen their capability.

13. It is important that statistical offices and Governments be aware of the interdependence of SNA components. Several countries noted that Governments placed higher priority on some SNA components ahead of others without appreciating their interdependence. Respondents to the questionnaire noted that Governments prioritize quarterly GDP measures over annual GDP measures and highlighted higher government demand for satellite accounts for sectors, such as natural resources or tourism, that were of particular significance in their economies ahead of implementing "core" SNA components.

B. International comparability

14. Another essential feature highlighted by several national statistical offices is international comparability, as it enables intercountry analyses and assessment of the collective growth of countries within the same region. Several countries noted their intention to join, form or strengthen regional economic groupings, and that provided an incentive for those countries to improve their SNA statistics. The Association of Southeast Asian Nations (ASEAN), European Union, Gulf States, the Southern Africa Customs Union and Customs Union of West African States were all cited as examples. Members of the Friends of the Chair group highlighted the importance to those economic unions of monitoring economic performance; as a result participating Governments give more attention to improving statistics.

C. Staff resources

15. Lack of staff resources has been a long-standing obstacle to the implementation process. Staff require a combination of relevant qualifications and 2-3 years of practical training before they are effectively familiar with the concepts behind the national accounts, and have adequate knowledge of data sources and the experience required to be effective compilers. Countries and members of the Working Group have noted that professional staff members should have at least a university graduate degree and/or have successfully undertaken national or overseas-based statistical training. Staff with expertise in national accounts are also

attractive employees for other government and private sector organizations. National statistical offices require a strategy to help retain valuable staff and ensure that regular training is in place to maintain a strong and knowledgeable team working on national accounts. National statistical offices need to enjoy the institutional status within national public services required to attract and retain skilled people.

16. Another impediment cited by some Friends of the Chair group members is the fragmentation of responsibility for SNA components between different agencies of their Governments. Decentralization can result in a lack of clarity about responsibilities and extra competition for scarce resources.

IV. Data resources

17. At the thirty-sixth session of the Commission in 2005, the Working Group reported the findings of a survey that was carried out by the Statistics Division to investigate the underlying factors that impeded implementation of the 1993 SNA. A major barrier to implementation was found to be data resources. This finding was confirmed in the 2008 report of the Working Group; barriers to implementation of the 1993 SNA were identified through regional consultations between 2006 and 2008. The Friends of the Chair group members also highlighted the lack of data resources as a significant barrier to the implementation process.

A. Ease of data collection

18. Data collection commonly involves undertaking surveys, which is an expensive activity, especially when ongoing surveying is required to track activity over time. The periodic implementation of new statistical standards, such as the 1993 SNA, the International Standard Industrial Classification, the Central Product Classification and revisions to other classifications, adds to the costs of survey operations. To avoid these expensive processes in data collection, many countries seek to make more use of administrative sources. However, it is evident from the questionnaire responses that countries have difficulty in accessing administrative data and have problems in maintaining business registers. In the absence of a reliable business register, countries cannot effectively collect basic economic statistics from establishment/enterprise surveys with sound sample frames or integrate data from tax and customs records or other administrative sources. The availability and the coverage of data require much attention and continuous evaluation of scope and coverage for the surveys conducted. Some countries are also faced with legal impediments to having their statistical agencies gain access to certain administrative data sets, such as taxation records and agricultural commodity data.

19. Friends of the Chair group members noted a lack of guidance with respect to compiling certain components of national accounts, such as the identification and classification of transactions relating to non-profit institutions serving households. Data sources relating to the informal sector and for the "underground" economy have been identified by developing countries and countries with significant economic activity falling outside the scope of "regulated" activity as an important aspect that is not adequately addressed in SNA manuals. Guidance is sought on

strategies for improving source data for informal sector activities and on methods for integrating formal and informal sector data.

B. Flexibility

20. While most countries represented in the Friends of the Chair group view the move to the 1993 SNA as essential, they view the move from the 1993 SNA to the 2008 SNA as "somewhat important". The national statistical offices noted that there is insufficient need expressed generally in their countries for the introduction of new methodology and new items in the national accounts. Furthermore, in responding to the questionnaire many countries noted that they do not have access to data, such as the value of defence weapons platforms and expenditure on research and development (the main new requirements for the 2008 SNA). This situation highlights the importance of flexibility in the application of the SNA recommendations. Attendees at the Friends of the Chair group meeting and the wider group responding to the questionnaire agreed that priority should be given to establishing national accounts figures that best serve countries' needs, reflect the changing global economy and the impact of other developments, such as technological advances.

C. Role of donors

21. Over time, there have been a number of international initiatives to help overcome these and other barriers and assist countries to develop their national accounts. However, some countries noted that international offers of assistance did not always align with countries' national statistical strategies. An example cited during the 2011 Friends of the Chair group meeting was when donor funding required undertaking a large-scale economic census which was inconsistent with the recipient country's strategy of basing its national accounts on a programme of annual sample surveys of producer enterprises. By devoting resources to undertake an economic census, the country's programme for implementing national accounts was set back. This was a strategy that fitted poorly with the recipient country's own statistical strategy.

V. Implications for proposed strategies of the Intersecretariat Working Group on National Accounts

22. The Working Group's implementation programme for the 2008 SNA is a global initiative that has the objective of assisting countries in developing the statistical and institutional capacity to make the conceptual changeover from the 1993 SNA to the 2008 SNA, and improve the scope, detail and quality of the national accounts and supporting economic statistics. The implementation programme is driven by three principles, which are: (a) adoption of a strategic national planning framework; (b) coordination, monitoring and reporting; and (c) improving statistical systems. In accordance with the above-mentioned principles, the Working Group defined four modalities of statistical capacity-building: (a) training and technical cooperation; (b) manuals and handbooks; (c) applied research; and (d) advocacy.

23. The Friends of the Chair group questionnaire sought reflection from group members on these principles and activities. The members agreed with the overall strategic framework but believed that Working Group organizations were not giving sufficient attention to their implementation. The respondents to the questionnaire highlighted the value of specific aspects of the strategies and activities of international organizations and suggested improvements for others. Countries generally believed that the strategies should put the implementation of the 2008 SNA within the broader context of the development of economic statistics.

A. Adoption of a strategic national planning framework

24. The majority of respondents indicated that promoting the adoption of a strategic national planning framework was the most effective strategy that international agencies could support. In countries, it is believed that national statistical strategic plans should incorporate national priorities for the development of national accounts to better engage support from respective Governments. Some national priorities, as indicated by Friends of the Chair group members, include the data requirements of regional economic groups, internal coherence and satellite accounts for industries or sectors of national importance. The plans should also recognize the importance of improving national institutional arrangements for compiling national accounts and priorities in improving source data, including overcoming legal and/or other obstacles to the statistical use of administrative data. National statistical plans not only need to incorporate the above-mentioned features but also to fit with government budget-setting processes if they are to be successful in securing funding.

B. Minimum set of national accounts

25. Countries seek to implement the System of National Accounts by compiling accounts and tables required for addressing policy issues considered the highest priority for a country. The foremost benchmark developed by the Working Group to assess the scope of accounts compiled by countries is the minimum required data set. At the meeting of the Working Group in February 2010, the members, among other things, recognized the need to revisit the implementation milestones and the minimum required data set to improve the implementation process of the 2008 SNA. The majority of Friends of the Chair group members have implemented the main accounts, such as those for production, income and use of income, highlighting their importance for identifying economic drivers and policy formulation. However, a few members indicated that other accounts, particularly balance sheets, are not as important to a country's needs and currently are not produced. In assessing the minimum required data set, the Working Group should ensure that priority is given to those SNA components that are most relevant to the national policy requirements of most countries.

C. Training and technical cooperation

26. Members of the Friends of the Chair group have suggested improvements to proposed international strategies/activities to deliver desired outcomes. All believe

that cooperation among countries within the same region should be supported to assist in the compilation of national accounts. In reference to training and technical cooperation, members have suggested that technical assistance should be furnished over longer periods. Countries have noted that extended periods of technical training increase the likelihood that staff would acquire and retain the benefits of the training and technical assistance.

D. Manuals and handbooks

27. Manuals and handbooks should be designed as simple "how-to" guides. There should be more emphasis on practical work in the process of compilation than theoretical or conceptual explanations, which are already well set out in "core" SNA documentation.

E. Advocacy

28. Advocacy is a Working Group strategy that countries which are represented in the Friends of the Chair group strongly supported. Advocacy is aimed at supporting ongoing dialogue among the producers of statistical outputs, the providers of basic data and the users of national accounts, and building the commitment of Governments to funding. Advocacy material needs to include practical case studies on countries, especially developing countries, that have benefited directly from having good national accounts. Senior representatives of influential multilateral agencies, such as the International Monetary Fund, the World Trade Organization and ASEAN, need to directly promote the importance of national accounts among senior officials and political leaders. Governments would give priority to producing national accounts components that most benefit their countries and meet the demands of users. Examples of specific areas of interest noted by countries include satellite accounts for specific sectors and industries, and meeting the data requirements of regional economic groupings. International organizations need to take account of national priorities and leverage local opportunities.

VI. Conclusions

29. The 2008 SNA implementation programme is aimed at assisting countries in developing the statistical and institutional capacity to improve the scope, detail and quality of the national accounts and supporting economic statistics. The implementation programme is driven by three principles; to achieve them, the Working Group has defined four modalities of statistical capacity-building. The Friends of the Chair group has strived to reflect on and suggest ways to improve these principles and activities to promote progress in the implementation of the System of National Accounts.

30. The Friends of the Chair group has identified the lack of effective political support and data resource limitations as the main impediments to the implementation process. This finding has been reflected in the suggestions made by the Friends of the Chair group for improving and modifying the Working Group strategies to better enable countries, especially developing countries, to enhance the

ability of the national accounts to meet national information priorities in line with the latest SNA standards.

31. The recommendations of the Friends of the Chair group to improve the implementation programme for the 2008 SNA are provided in the next section. The recommendations are grouped under the appropriate implementation strategies of the Working Group in the hope that the improvements and modifications would be incorporated by countries and international organizations in order to account for the impediments to the further development of national accounts.

VII. Recommendations

32. The Friends of the Chair group has reflected on and has provided suggestions to improve the implementation process for the System of National Accounts. The principles of the implementation programme of the Working Group are listed below in bold and the recommendations of the Friends of the Chair group are listed under the corresponding principles:

Adoption of a strategic national planning framework

(a) Key stakeholders, including users, data suppliers and funding agencies, need to agree to and/or be involved in the strategic national planning framework;

(b) The strategic national planning framework needs to incorporate national priorities for the development of national accounts, such as:

(i) Requirements of regional economic groups;

(ii) Internal coherence;

(iii) Satellite accounts for industries or sectors of national importance;

(c) For the strategic national planning framework there needs to be recognition of the importance of improving national institutional arrangements for compiling national accounts, strategies for recruiting and retaining skilled people, including raising the institutional status of national statistical offices, and priorities for improving source data, including overcoming legal or other obstacles to the statistical use of administrative data;

(d) The strategic national planning framework needs to incorporate the above features and fit with government budget-setting processes in order to enhance the capacity to secure funding;

Coordination, monitoring and reporting

(e) It needs to be ensured that international assistance does not impede existing national statistical strategies;

(f) Where appropriate, international organizations need to support countries in joining, forming or strengthening regional economic groupings, as that would provide an incentive for countries to improve their SNA statistics. Cooperation among countries within the same region also needs to be supported;

(g) In applying its guidelines on the minimum required data set for national accounts, the Working Group should give added weight to those components that are

most widely relevant to national policy requirements, in particular accounts on production, income and use of income;

(h) International organizations need to take account of national priorities, as outlined in the national planning frameworks, and seek to assist in leveraging local opportunities;

Improving statistical systems

(i) Training and technical cooperation:

(i) This strategy needs to include helping countries overcome the difficulties they face in accessing administrative data and problems in maintaining business registers;

(ii) This strategy needs to focus on longer-term and sustainable approaches to the training, retraining and retention of staff with relevant qualifications and experience;

(iii) Technical assistance needs to be provided over longer periods;

(j) Manuals and handbooks:

(i) Major revisions to national accounts data can undermine the confidence of Governments in their national statistical offices. Manuals should provide guidance on techniques for improving reliability and coherence, and on making improvements in timeliness and frequency without material erosion of reliability;

(ii) Guidance should be provided on the identification and classification of transactions relating to non-profit institutions serving households, the non-observed economy and other components of national accounts that are not adequately addressed;

(iii) Guidance should also be furnished on strategies for improving source data for informal sector activities and methods for integrating formal and informal sector data;

(iv) Manuals and handbooks need to put more emphasis on practical work in the process of compilation than on theoretical or conceptual explanations;

(v) Support should be provided for translating manuals and handbooks into the local language;

(k) Applied research: research should focus on the broader context of the development of national accounts and not just on matters relating to the implementation of concepts from the 2008 SNA. Areas such as improving data sources, practical guidance in the utilization of administrative records, construction and maintenance of business registers and methodologies for measuring the contribution of the informal sector/underground economy have been identified as significant obstacles to SNA development;

(l) Advocacy:

(i) This strategy needs to ensure that statistical offices and Governments are aware of the interdependence of SNA components and are appropriately focused on implementing "core" SNA elements. Governments need to

appreciate that their demands for quarterly GDP measures or for certain satellite accounts can be built only on a sound foundation of data sources, methods and strong institutional capability;

(ii) This strategy needs to help remove any legal impediments faced by statistical agencies gaining access to relevant administrative record data;

(iii) This strategy needs to be aimed at clarifying the responsibilities of different agencies of Government when responsibility for compiling SNA components are fragmented between different government agencies;

(iv) Influential people need to be enlisted to develop persuasive case studies.

VIII. Expressions of thanks

33. I wish to express my gratitude to the personnel of the national statistical agencies and the international agencies that cooperated in this exercise. Their insights and assistance were essential in the preparation of this report.

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Australian Statistician

Friends of the Chair group on the barriers to the implementation of the 1993 SNA.

IX. Points for discussion

34. **The Commission may wish to:**

(a) **Express its views on the report;**

(b) **Provide guidance on the recommendations set out in section VII above.**

Annex I

Terms of reference

1. The Friends of the Chair group on the barriers to the implementation of the *System of National Accounts 1993* is chaired by Australia and is constituted by selected experts from United Nations Member States: Botswana, Brazil, Cambodia, China, Indonesia, Oman, Peru, Russian Federation, Samoa, Senegal, the former Yugoslav Republic of Macedonia, Ukraine and United States of America. These countries reflect the range of knowledge and experience relevant to the development and production of national accounts in both developed and developing countries within various regions. The member institutions of the Intersecretariat Working Group on National Accounts participate as observers. The Working Group representatives play a collective role in the development of the System of National Accounts, in promoting its use and in developing strategies for supporting countries in its implementation. The Friends of the Chair group is also involved in assessment of the current strategy for implementing the System of National Accounts and, where relevant, suggesting improvements.

2. The Statistics Division of the Secretariat furnishes the group with secretarial and research support.

3. The terms of reference of the group state that the Friends of the Chair will:

(a) Review the progress of the implementation of the 1993 SNA, drawing as much as possible on existing work, such as that done by the regional commissions (for example, the project of the Economic and Social Commission for Asia and the Pacific to improve economic statistics in its region) and under the auspices of the Luxembourg Recommendations on Global Implementation and Outreach for the System of National Accounts;

(b) Identify the barriers to the implementation of the 1993 SNA, including but not restricted to:

(i) Underlying barriers to the development of national accounts;

(ii) The suitability of the 1993 SNA and/or 2008 SNA for developing countries. (Would the 1968 SNA serve their policy needs just as well?);

(iii) The "quantum leap" (perceived or real) required to move from the 1968 SNA to the 1993 SNA;

(iv) Components of the 1993 SNA and/or 2008 SNA which are perceived as barriers, such as the financial intermediation services indirectly measured and chain volume measures

(v) The need to compile multiple measures of gross domestic product (GDP) for international reporting requirements, such as production-based GDP for the Millennium Development Goals and expenditure-based GDP for the International Comparison Programme);

(vi) The lack of internal demand from national policy agencies driving implementation of the 1993 SNA.

4. The Friends of the Chair group will produce a succinct analysis of the barriers and suggest alternative approaches to developing appropriate macroeconomic

statistics for both developed and developing countries. These will include, but not be restricted to:

(a) The appropriateness of the goal of full implementation of the 1993 SNA and/or 2008 SNA in all countries;

(b) The possibility of developing tailored versions of the 1993 SNA and/or 2008 SNA or tailored guidelines to suit the real needs of a range of countries;

(c) The possibility of phased or modular implementation of the 1993 SNA and/or 2008 SNA;

(d) The anticipated time frame for large-scale implementation of the 1993 SNA and/or 2008 SNA to the point when 85 per cent of countries are compiling comparable and timely annual measures of GDP currently and across each of the next two decades.

Annex II

Outline of implementation process

1. After several years of preparation, the Statistical Commission approved the *System of National Accounts 1993* in February 1993. As a result of concerns expressed by the Commission at its thirty-fifth session in 2004, the Statistics Division of the Secretariat carried out a survey to investigate the underlying factors impeding implementation of the 1993 SNA. A report by the Intersecretariat Working Group on National Accounts in 2005 stated that, of the 191 States Members of the United Nations, 27 per cent had fulfilled the minimum required data set, which marked an increase over the level of previous years. This situation reflects an improvement in 1993 SNA implementation in Member States, but also highlights the low level of implementation overall. The report also detailed the findings of a survey highlighting the main barriers to implementation and proposed recommendations which were endorsed by the Commission at its thirty-sixth session in 2006. To reflect the changing economic environment, the Commission at its thirty-ninth session in 2008 adopted a new System of National Accounts (2008 SNA) as the international standard for national accounts statistics. At its fortieth session, the Commission approved the implementation programme of the Working Group for the 2008 SNA. The report of the Working Group detailing the implementation programme also provided an assessment of the level of SNA implementation between 2006 and 2008. Structural weaknesses in basic source data and institutional statistical capacity were identified as key impediments by the Statistics Division and international agencies.

2. A background report of the Working Group submitted to the forty-first session of the Commission in 2010 provided further details on the global initiative for implementation of the 2008 SNA. The document detailed the progress by various international organizations in training and research, training and technical cooperation activities, publication of manuals and handbooks and regional initiatives. Notable progress has been made by representatives of the Working Group and regional commissions in advancing the implementation of the 2008 SNA, with particular focus on developing countries and economies in transition. The Working Group also coordinates with other global statistical initiatives, such as the International Comparison Programme and the Partnership in Statistics for Development in the 21st Century.

3. At the forty-first session of the Commission, the Australian delegation suggested the formation of a friends of the chair group to assist the Commission in identifying the causes of the slow and limited adoption of the 1993 SNA, as well as make suggestions on the way forward, given that the 1993 SNA had been updated to the 2008 SNA. The Friends of the Chair group was established; it conducted a meeting at the Statistics Division on 19 February 2011, to which heads of statistical agencies from the Friends of the Chair group and representatives of the Working Group were invited. The meeting was attended by representatives of statistical offices in Australia, Brazil, Cambodia and Oman, and from the United States Bureau of Economic Analysis. Representatives of the Statistics Division, the Organization for Economic Cooperation and Development and Eurostat also attended the meeting. Attendees shared their knowledge and experience on various obstacles affecting the implementation of latest national accounts framework, giving particular attention to their experience in implementing the 1993 SNA.

4. Following the Friends of the Chair group meeting, the Australian Bureau of Statistics devised a questionnaire to elicit further detailed responses from the wider Friends of the Chair group on the views and experience of members on the barriers to successful implementation of the System of National Accounts. The questions sought to obtain insights into the challenges countries faced in implementing the System of National Accounts, suggestions on the way forward and reflections on the usefulness of past international initiatives. The questionnaire was sent to the Friends of the Chair member countries in August 2011 and responses from all member countries have since been received. Although individual responses to the questionnaire are kept confidential, summary conclusions have been drawn from the responses.